

FEDERAL RESERVE BANK
OF NEW YORK

[Circular No. 8004]
December 2, 1976

REVISED PROPOSAL TO AMEND REGULATION B
Proposed Model Residential Real Estate Mortgage Loan Application Form

To All Member Banks, and Others Concerned,
in the Second Federal Reserve District:

Following is the text of a statement issued November 19 by the Board of Governors of the Federal Reserve System:

The Board of Governors of the Federal Reserve System today made public a proposed model residential real estate mortgage loan application for use under the Equal Credit Opportunity Act.

The Board invited comment on the proposed form through December 17.

Earlier this month the Board published for comment a proposed general revision of Regulation B, to implement the 1976 Amendments to the Equal Credit Opportunity Act. The Amendments extend the Act's prohibitions against discrimination in the granting of credit.

At that time, the Board said that it would include in the final version of Regulation B a model residential real estate application form, which, when properly used, would comply with the Regulation. That proposed form, which was not then ready for publication, is included in the . . . revised proposal for amending Regulation B.

Printed below is the text of the Board's Order in this matter. Enclosed is a copy of the proposed form. Comments thereon should be submitted by December 17, 1976, and may be sent to our Bank Regulations Department.

[Reg. B]
EQUAL CREDIT OPPORTUNITY
(Docket No. R-0031)

Revised Proposed Rulemaking

On November 8, 1976, the Board of Governors proposed for comment (41 FR 49123) a revised version of its Regulation B, Equal Credit Opportunity. Appendix B of that proposal contained four model credit application forms: one for open-end, unsecured credit; one for closed-end, secured credit; one for closed-end, unsecured or secured credit; and one for use in community property States. In addition, the proposal stated that the Board intends to include a model residential real estate mortgage loan application in the final version of Regulation B. A proposed version of that form, based upon an application form designed by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, follows.

To aid in the consideration of this matter by the

Board, interested persons are invited to submit relevant data or comments. All comments should be submitted in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than December 17, 1976. All submitted material should include the docket number, R-0031. Written comments will be made available for public inspection and copying upon request, except as provided in §261.6(a) of the Board's Rules Regarding Availability of Information (12 CFR 261).

This notice of proposed rulemaking is published pursuant to the Board's authority under §703(a) of the Equal Credit Opportunity Act (15 U.S.C. 1691(b)).

Board of Governors, November 16, 1976.

With the exception of the enclosed form, the complete text of the Board's revised proposal appears in the *Federal Register* of November 8, 1976; a copy of the *Federal Register* excerpt will be made available by our Bank Regulations Department upon request. Any inquiries regarding this matter may be directed to that department.

PAUL A. VOLCKER,
President.

RESIDENTIAL LOAN APPLICATION

MORTGAGE APPLIED FOR	Type <input type="checkbox"/> FmHA <input type="checkbox"/> Conv. <input type="checkbox"/> FHA <input type="checkbox"/> VA	Amount \$ _____	Interest Rate % _____	No. of Months _____	Monthly Payment Principal & Interest \$ _____	Escrow/Impounds (to be collected monthly) <input type="checkbox"/> Taxes <input type="checkbox"/> Hazard Ins. <input type="checkbox"/> MI <input type="checkbox"/>	
Prepayment Option _____		SMSA _____			Census Tract _____		
Property Street Address _____		City _____	County _____	State _____	Zip _____	No. Units _____	
Legal Description (Attach description if necessary) _____				Year Built _____	Property is: <input type="checkbox"/> Fee <input type="checkbox"/> Leasehold <input type="checkbox"/> Condo <input type="checkbox"/> PUD <input type="checkbox"/> DeMinimis FUD		
SUBJECT PROPERTY	Purpose of Loan: <input type="checkbox"/> Purchase <input type="checkbox"/> Construction-Perm. <input type="checkbox"/> Construction <input type="checkbox"/> Refinance <input type="checkbox"/> Other (Explain) _____						
	Complete this line if Construction-Perm. or Construction Loan		Lot Value Data _____	Original Cost \$ _____	Present Value (a) \$ _____	Cost of Imps. (b) \$ _____	Total (a+b) \$ _____
	Complete this line if a Refinance Loan		Year Acquired _____	Purpose of Refinance _____		Describe Improvement [] made [] to be made _____	
	Year Acquired _____		Original Cost \$ _____	Amt. Existing Liens \$ _____		Cost: \$ _____	
	Title Will Vest in What Names? _____			How Will Title Be Held? (Tenancy) _____			
Note Will Be Signed By? _____			Source of Down Payment and Settlement Charges _____				
Regarding any Co-Borrower, check the appropriate box. If <input type="checkbox"/> (1) another person will be jointly obligated with you on the loan, or <input type="checkbox"/> (2) you are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of the loan, or <input type="checkbox"/> (3) you are married and reside or the property is located in a community property State, complete the Co-Borrower section and all other Co-Borrower questions to the extent that you can. If item (1) or (3) is checked above, have the Co-Borrower sign the application.							
BORROWER			CO-BORROWER				
Name _____	Age _____	School Yrs _____	Name _____	Age _____	School Yrs _____		
Present Address _____	No. Years _____	<input type="checkbox"/> Own <input type="checkbox"/> Rent	Present Address _____	No. Years _____	<input type="checkbox"/> Own <input type="checkbox"/> Rent		
Street _____			Street _____				
City/State/Zip _____			City/State/Zip _____				
Former address if less than 2 years at present address			Former address if less than 2 years at present address				
Street _____			Street _____				
City/State/Zip _____			City/State/Zip _____				
Years at former address <input type="checkbox"/> Own <input type="checkbox"/> Rent			Years at former address <input type="checkbox"/> Own <input type="checkbox"/> Rent				
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (inc. single, divorced, widowed)	Dependents other than Co-Borrower Number _____ Ages _____		Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (inc. single, divorced, widowed)	Dependents other than listed by Borrower Number _____ Ages _____			
Name and Address of Employer _____			Name and Address of Employer _____				
Years employed in this line of work or profession _____			Years employed in this line of work or profession _____				
Years on this job _____ <input type="checkbox"/> Self Employed			Years on this job _____ <input type="checkbox"/> Self Employed				
Position/Title _____ Type of Business _____			Position/Title _____ Type of Business _____				
GROSS MONTHLY INCOME			MONTHLY HOUSING EXPENSE			DETAILS OF PURCHASE	
Item	Borrower	Co-Borrower	Total	Rent	Present* \$	Proposed	
Base Salary	\$ _____	\$ _____	\$ _____	First Mortgage (P&I)	\$ _____	a. Purchase Price \$ _____	
Overtime				Other Financing (P&I)		b. Total Closing Costs _____	
Bonuses				Hazard Insurance		c. Pre-Paid Escrows _____	
Commissions				Taxes (Real Estate)		d. Total (a + b + c) \$ _____	
Dividends/Interest				Assessments		e. Amt. This Mortgage (_____)	
Net Rental Income				Mortgage Insurance		f. Other Financing (_____)	
Other (**Before completing, see notice under Other Income below.)				Homeowner Assn Dues		g. Present Equity in Lot (_____)	
				Total Monthly Pmt	\$ _____	h. Amt. of Deposit (_____)	
				Utilities		i. Closing costs paid by Seller (_____)	
Total	\$ _____	\$ _____	\$ _____	Total	\$ _____	j. Cash required for closing \$ _____	
*If Co-Borrower presently resides separately, list requested information on separate sheet.							
DESCRIBE OTHER INCOME							
☐ B—Borrower C—Co-Borrower** Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered as a basis for repaying this loan.						Monthly Amt. \$ _____	
IF EMPLOYED IN CURRENT POSITION FOR LESS THAN TWO YEARS COMPLETE THE FOLLOWING							
B/C	Previous Employer/School	City/State	Type of Business	Position/Title	Dates From/To	Monthly Salary \$ _____	
QUESTIONS APPLY TO BOTH BORROWERS							
If Yes, explain on attached sheet							
	Borrower Yes or No	Co-Borrower Yes or No		Borrower Yes or No	Co-Borrower Yes or No		
Have you any outstanding judgments? In the last 14 yrs. ever taken bankruptcy, had property foreclosed upon, or given deed in lieu thereof?	_____	_____		Do you have health and accident insurance?	_____	_____	
Co-maker or endorser on any notes?	_____	_____		Do you have major medical coverage?	_____	_____	
Now a party in a law suit?	_____	_____		Do you intend to occupy property?	_____	_____	
Obligated to pay alimony, child support or separate maintenance?	_____	_____		Will this property be your primary residence?	_____	_____	
Any portion of the down payment borrowed?	_____	_____		Have you previously owned a home?	_____	_____	
				Value of previously owned home	\$ _____	\$ _____	

This Statement and any applicable supporting schedules may be completed jointly by both married and unmarried Co-Borrowers if their assets and liabilities are sufficiently joined so that the Statement can be meaningfully and fairly presented on a combined basis; otherwise separate Statements and Schedules are required. If the Co-Borrower section was completed about your spouse, complete this statement and supporting schedules about your spouse also.

Completed Jointly Not Completed Jointly

STATEMENT OF ASSETS AND LIABILITIES

ASSETS		LIABILITIES AND PLEDGED ASSETS		
Description	Cash or Market Value	Owed To (Name, Address and Account Number)	Mo. Pmt. and Mos. left to pay	Unpaid Balance
Cash Toward Purchase Held By		Indicate by (*) which will be satisfied upon sale or upon refinancing of subject property.		
		Instalment Debt (include "revolving" charge accounts)	\$ Pmt./Mos.	\$
Checking and Savings Accounts (Indicate Names of Institutions/Acct. Nos.)				
Stocks and Bonds (No./Description)				
Life Insurance Net Cash Value		Automobile Loan		
Face Amount (\$)				
SUBTOTAL LIQUID ASSETS				
Real Estate Owned (Enter Total Market Value from Real Estate Schedule)		Real Estate Loans (Itemize and Identify Lender)		
Vested Interest in Retirement Fund				
Net Worth of Business Owned (Attach Financial Statement)		Other Debt Including Stock Pledges (Itemize)		
Auto (Make and Year)				
Furniture and Personal Property		Alimony, Child Support, and Separate Maintenance Payments		
Other Assets (Itemize)				
TOTAL MONTHLY PAYMENTS			\$	
TOTAL ASSETS		NET WORTH (A.-B.)\$		TOTAL LIABILITIES
\$		\$		\$

SCHEDULE OF REAL ESTATE OWNED (If Additional Properties Owned Attach Separate Schedule)

Address of Property (Indicate S if Sold, PS if Pending Sale or R if Rental being held for income)	Type of Property	Present Market Value	Amount of Mortgages & Liens	Gross Rental Income	Mortgage Payments	Taxes, Inc. Maintenance and Misc.	Net Rental Income
TOTALS → \$ \$ \$ \$ \$ \$ \$							

LIST PREVIOUS CREDIT REFERENCES

<input type="checkbox"/> B-Borrower	<input type="checkbox"/> C-Co-Borrower	Owed To (Name and Address)	Account Number	Purpose	Highest Balance	Date Paid
\$						

List any names under which credit references may be verified if different than borrower's or co-borrower's _____

AGREEMENT: The undersigned applies for the loan described in this application, to be secured by a first mortgage or trust deed on the property described in this application and represents that the property will not be used for any illegal or restricted purpose and that all statements made in this application are true and made for the purpose of obtaining the loan. Verification may be obtained from any source named in this application.

I/we fully understand that it is a Federal crime punishable by fine or imprisonment or both to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1014.

Signature (Borrower) _____ Date _____ Signature (Co-Borrower) _____ Date _____
 Home Phone _____ Business Phone _____ Home Phone _____ Business Phone _____

INFORMATION FOR MONITORING PURPOSES

The following information is requested by the Federal Government to monitor this lender's compliance with equal credit opportunity and fair housing laws. The law provides that we may not discriminate on the basis of this information or whether or not it is furnished in deciding on this loan. While you are urged to do so, furnishing this information is voluntary. If you decline to furnish the following information, please initial below.

<p style="text-align: center;">BORROWER</p> <p>Race— National Origin <input type="checkbox"/> American Indian Alaskan Native <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian Pacific Islander <input type="checkbox"/> Black <input type="checkbox"/> White <input type="checkbox"/> Other (specify) _____</p> <p>Sex <input type="checkbox"/> Female <input type="checkbox"/> Male</p> <p>Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (inc. single, divorced, widowed) <input type="checkbox"/> Separated</p> <p>Age Years _____</p> <p>I decline to furnish this information _____ (Initials)</p>	<p style="text-align: center;">CO-BORROWER</p> <p>Race— National Origin <input type="checkbox"/> American Indian Alaskan Native <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian Pacific Islander <input type="checkbox"/> Black <input type="checkbox"/> White <input type="checkbox"/> Other (specify) _____</p> <p>Sex <input type="checkbox"/> Female <input type="checkbox"/> Male</p> <p>Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Unmarried (inc. single, divorced, widowed) <input type="checkbox"/> Separated</p> <p>Age Years _____</p> <p>I decline to furnish this information _____ (Initials)</p>
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