

Community First Credit Union Files Difficult HMDA Data in Eight Days

- Who:** Marie Colegate, mortgage floater
Community First Credit Union of Florida
Jacksonville, Fla.
- When:** Community First Credit Union installed HMDA RELIEF in February 2008
- What:** Due to a change in LOS providers, Community First Credit Union of Florida (\$1.1 billion in assets) had HMDA data in two incompatible formats. With the HMDA reporting deadline looming, the credit union turned to QuestSoft's HMDA RELIEF to compile, analyze and submit the data. In only eight days, Community First was able to purchase and install the software, compile the reports in one format, correct errors and submit the file to the Federal Reserve.

Challenge:

Jacksonville, Fla.-based Community First Credit Union of Florida (\$1.1 billion in assets), which has more than 100,000 members, was under a tight deadline for filing their annual Home Mortgage Disclosure Act (HMDA) data. The credit union had changed loan origination systems (LOS) mid-way through 2007. An unfortunate byproduct of the conversion was loan files from the credit union's previous provider could not easily be read by the new system. With the HMDA reporting deadline quickly approaching, a solution needed to be found in order to file the report in time and avoid penalty charges.

"We had so much information that was housed in multiple places that action needed to be taken quickly, or we would have a serious and possibly costly dilemma on our hands," said Marie Colegate, mortgage floater for Community First Mortgage. "We needed to gather, verify, format and report HMDA data in a very small time frame but without incurring too much cost."

Colegate asked Prime Alliance for a suggestion and learned a demo version of Laguna Hills, Calif.-based QuestSoft's HMDA RELIEF was included with the LOS. After looking at the demo, Colegate contacted QuestSoft to see how quickly they could help her.

Solution:

Colegate contacted QuestSoft on February 13, 2008, less than three weeks before the March 1 HMDA reporting deadline. Within five minutes she received a return phone call from QuestSoft. After explaining the situation, QuestSoft was able get Community First set up that same day on HMDA RELIEF, which takes a lending professional through the entire HMDA process and meets all Federal Reserve Board submission requirements. The software also facilitated direct importing from the two LOSs, automated geocoding and error correction, online report submission and analysis of lending data to identify additional markets.

"QuestSoft took me by the hand and worked with me," Colegate said. "Even though they had to have been swamped with calls that close to the [March 1 HMDA] deadline, QuestSoft walked me through what I needed to do to complete the HMDA report quickly and accurately."

HMDA RELIEF facilitates direct importing from the LOS, automated geocoding and error correction, online report submission and analysis of lending data to identify additional markets.

Result:

Within three days of contacting QuestSoft, Community First had accessed and fixed more than 1,300 files that had been on the previous system. After running a few tests and verifying the data, Community First submitted their HMDA report on February 21, only eight days after contacting QuestSoft and seven days before the deadline. The report was accepted with no errors.

“The people at QuestSoft made the difference,” Colegate said. “The software is fantastic, but without the help of their staff to combine two file formats into one report, I could not have completed the report on time.”

Colegate was also able to increase revenue thanks to the quick filing process. During the last week of February, she learned that an investor would be raising rates 0.25 percent. Since the report was already finished, she was able to react and sell 80 loans before the rate increase.

“Our mortgage staff has to wear many hats,” said Colegate. “Since HMDA RELIEF enabled us to file our HMDA report so quickly, I was able to react to changing market conditions and sell loans at a better rate for the credit union. Instead of floundering under the weight of HMDA requirements, we increased our revenue, while eliminating any potential for fines that come from late HMDA reports.”

Colegate says that having HMDA RELIEF in place for all of 2008 will make next year’s submission much easier and less stressful. The lender anticipates being able to complete and file the report quickly, well before the deadline.

About Community First Credit Union of Florida

Community First Credit Union of Florida (Community First) is a state-chartered credit union based in Jacksonville serving anyone who lives or works in Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns counties. For more information please visit the credit union’s Web site at www.communityfirstfl.org.

About QuestSoft

Laguna Hills, Calif.-based QuestSoft is a compliance software development firm specializing in the Home Mortgage Disclosure Act (HMDA), Community Reinvestment Act (CRA), flood determination and other settlement services. The company provides software design, compliance-quality geocoding and outsourcing services that are backed by sixteen years of direct mortgage software and origination experience. In addition, the company has received recognition for its many technological accomplishments. For more information about QuestSoft and its products visit the company’s Web site at www.questsoft.com.

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