

Financial Institutions

Fair Lending

The Interagency Guidelines for Self-Assessment were released in 1994. Since then, Bankers Advisory has completed tens of thousands of side-by-side assessments based on the recommended procedures, now adopted by the CFPB.



Examination scope

The Interagency Guidelines for Self-Assessment requires a comparative review of approved versus marginally denied borrowers that have similar characteristics, i.e., “closely matched pairs”.

Our proprietary software produces a series of reports that help you uncover disparate pricing and other areas of weakness, including:

- *Similarly Situated Borrowers by Property and Transaction*
- *Similarly Situated Borrowers by Underwriting Risk and Credit Score*
- *Originator Service Standards*
- *Compliance and Service Standards by Processor*
- *Compliance and Service Standards by Underwriter*

File documents are reviewed to assess whether or not the borrower was offered less favorable loan terms, or not presented a full range of options. Documentation review will indicate whether appraisers or other service providers were influenced or the underwriter explained departures from credit standards. Our reviews cover an assessment of reasonable ability to repay and, for refinances, net tangible benefit.

An impartial approach

A fair lending evaluation should be completed in an area outside of mortgage lending production and by compliance specialists who understand testing criteria such as the control versus prohibitive ratio.

Our services, provided by trained analysts at Bankers Advisory, a CliftonLarsonAllen division, offer two key advantages:

1. We have two decades of direct experience in completing assessments under the interagency guideline.
2. Our testing services are neutral and impartial.

How we can help

- Side by side file reviews of closed loans
- Reviews of closed versus denied loans
- Review of fair lending policy and procedure
- Review of loan applications and consumer handouts
- Review of state-level compliance disclosures
- Review of federal and Dodd-Frank Act disclosures

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