



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, DC 20429

Division of Supervision

## Mortgage Loan Prequalifications

FIL-35-96 (REVISED)

July 3, 1996

TO: CHIEF EXECUTIVE OFFICER and COMPLIANCE OFFICER  
SUBJECT: *Help Guide for Financial Institutions*

The FDIC's Division of Compliance and Consumer Affairs (DCA) has produced the enclosed financial institution help guide entitled Mortgage Loan Prequalifications: Applications or Not? The guide answers many questions about mortgage loan prequalification programs frequently posed to DCA examiners, regional managers and community affairs staff by lenders, consumers and others.

The guide will assist FDIC-regulated financial institutions to develop mortgage loan prequalification programs and services that provide good customer service and comply with important components of fair lending laws and regulations, including the Equal Credit Opportunity Act (ECOA), the Fair Housing Act (FHA), and the Home Mortgage Disclosure Act (HMDA). The guide will also help institutions minimize technical and substantive violations commonly encountered in routine compliance examinations.

DCA's mission is to promote compliance with fair lending and other consumer protection laws and regulations, and to increase public understanding of and confidence in the deposit insurance system. While the division's mission is accomplished in part through compliance examinations, DCA hopes to further its goals by assisting financial institutions with fair lending compliance through education and guidance. If this guide proves useful to financial institutions, DCA will consider developing other help guides on topics of current interest or concern.

Please contact your DCA Regional Office for more information about compliance with fair lending laws and regulations for specific mortgage loan prequalification programs.

Carmen J. Sullivan  
Director

**Attachment:**

The attachment to this Financial Institution Letter is not currently available in electronic format. Until it is in a form that will allow us to post it to the internet, you may obtain hard copy (fax not available) from:

FDIC  
Public Information Center  
Room 100  
801 17th St. NW  
Washington, DC 20434  
ph: (703) 562-2200

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