

BOSTON

Licensing Hot Topics

Tom Brennan, Massachusetts DOB

Charlie Clark, Washington DFI

Kirsten Anderson, Oregon DFR

29th Annual
Regulatory
Conference
& Training



American
Association of
Residential
Mortgage
Regulators

Stay tuned at
www.aarmr.org

July 31-August 2, 2018

Boston Park Plaza Hotel | Boston, MA

MSB Licensing Compact

- * What is it?
- * Who is participating?
- * Lessons learned so far
- * Replicate for mortgage?

Fraud in Licensing

- * Fraudulent financial statements
- * False mortgage call report information
- * Mortgage fraud showing up in MLO applications

Transitional Authority – S.2155

- * From bank to non-depository:
 - * No MLO license denied, revoked or suspended
 - * No C&D order
 - * No misdemeanor or felony that precludes licensing
 - * Has submitted state application
 - * Was registered during the 1 year period prior to application

Transitional Authority – S.2155

- * From one state to another:
 - * No MLO license denied, revoked or suspended
 - * No C&D order
 - * No misdemeanor or felony that precludes licensing
 - * Has submitted state application
 - * Employed by state-licensed mortgage company in state where applying
 - * Was licensed in another state during the 30 days prior to application

Transitional Authority – S.2155

- * Does not alter state licensing criteria so state license applications will be reviewed under existing state statutes/rules.
 - * Financial responsibility
 - * Other character, reputation, integrity or general fitness
 - * Adverse civil judgments
 - * Testing
 - * Education

Transitional Authority – S.2155

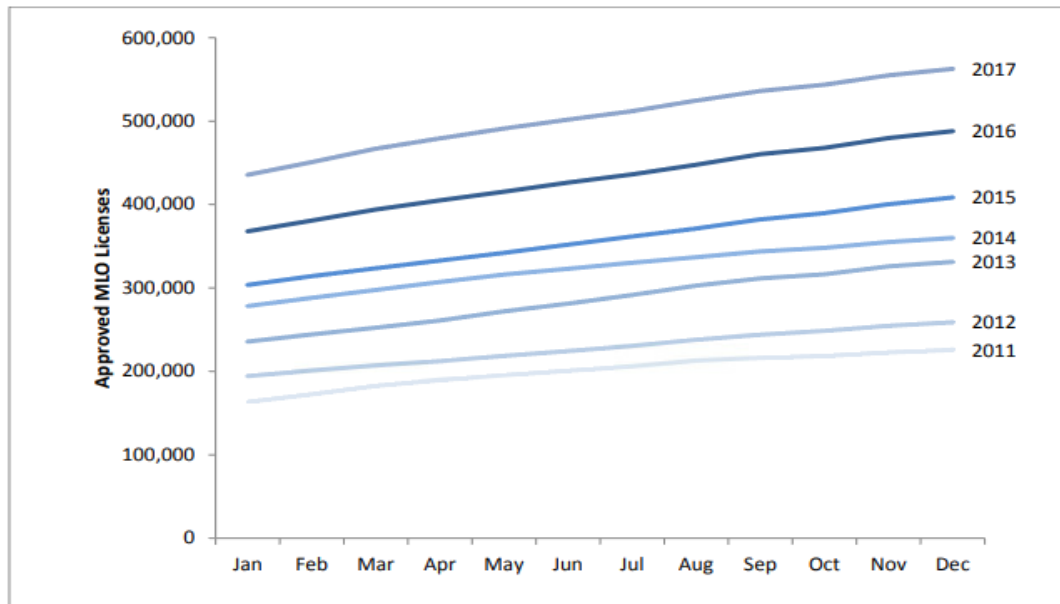
- * Temporary authority ends upon license issuance, application withdrawal, denial/notice of intent to deny, or end of 120 days if application is incomplete.
- * Effective November 24, 2019
- * Does not alter state licensing criteria so state license applications will be reviewed under existing state statutes/rules.
 - * Financial responsibility, character and fitness

NMLS 2.0

- * State regulators are encouraged to
 - * Automate renewal
 - * Adopt electronic surety bonds
 - * Complete transitions of license types onto NMLS
 - * Reduce/eliminate internal systems
 - * Participate in Yammer/development/testing

Trends in Licensing

- * Increase in MLOs, companies and branches



Trends in Licensing

- * Business plans and loan reporting showing signs of a return of subprime lending
 - * “non-QM lending”
- * Increased scrutiny of financial statements
 - * Consolidated financial statements

Licensing Do's

- * Applicant/licensee is responsible for what is submitted in NMLS
 - * Keep passwords/logins secure (do not share)
- * Read what is sent in the emails
- * Maintain current information in NMLS
 - * Email is critical as communication is through email
 - * Watch for emails going to junk/spam
- * When amending uploaded documents, it is helpful to note what's been amended.

BOSTON

Questions?

29th Annual
Regulatory
Conference
& Training



American
Association of
Residential
Mortgage
Regulators

Stay tuned at
www.aarmr.org

July 31-August 2, 2018

Boston Park Plaza Hotel | Boston, MA