



January 2009



MONTHLY MORTGAGE SUMMARY

Georgia Department of Banking & Finance— Non Depository Financial Institutions Division
 Monthly Summary of Mortgage Activities for the Period Ending January 2009

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Useful Links

MORTGAGE FORMS:

DBF.GEORGIA.GOV/DBFMTGFORMS

UPDATING LICENSE INFORMATION

DBF.GEORGIA.GOV/DBFMTGFORMS

MORTGAGE SUMMARY

DBF.GEORGIA.GOV/DBFMTGSUMMARY

NATIONAL NEWS ITEMS

MORTGAGE DATA REQUIREMENTS

FEDERAL HOUSING FINANCE AGENCY

January 15, 2009

Effective with mortgage applications taken on or after Jan. 1, 2010, Freddie Mac and Fannie Mae are required to obtain loan-level identifiers for the loan originator, loan origination company, field appraiser and supervisory appraiser.

A similar initiative had been worked on in prior years by both agencies in conjunction with the Mortgage Bankers Association of America and the National Association of Mortgage Brokers, however, without a national registration and identification system, the efforts were unsuccessful. With the enactment of the SAFE legislation and the establishment of a national registry of mortgage originators, the system of identifiers will be in place to establish this requirement. "This represents a major industry change. Requiring identifiers allows the Enterprises to identify loan originators and appraisers at the loan-level, and to monitor performance and trends of their loans," said FHFA Director Lockhart. "If originators or appraisers have contributed to the incidences of mortgage fraud, these identifiers allow the Enterprises to get to the root of the problem and address the issues."

The purpose of FHFA's requirement is to prevent fraud and predatory lending, to ensure mortgages owned and guaranteed by the Enterprises are originated by individuals who have complied with applicable licensing and education requirements under the S.A.F.E. Mortgage Licensing Act, and to restore confidence and transparency in the credit markets. In addition, the Enterprises will use the data collected to identify, measure, monitor and control risks associated with originators' and appraisers' performance, negligence and fraud.

To implement the requirement, FHFA has been working with the Conference of State Bank

Supervisors (CSBS) and the FFIEC Appraisal Subcommittee. Within the next 30 days, both Fannie Mae and Freddie Mac will be issuing guidance related to implementation of the requirement.

Additional information and links to the letters sent to the GSE's can be found on the following links.

[Letter to Fannie Mae](#)

[Letter to Freddie Mac](#)

[H.R. 3221, Title V, the S.A.F.E. Mortgage Licensing Act](#)

[National Mortgage Licensing System \(NMLS\)](#)

[Conference of State Bank Supervisors \(CSBS\)](#)

REVISED ELIGIBILITY REQUIREMENTS

FHA Roster Appraisers

MORTGAGEE LETTER 2008-39

HUD—December 17, 2008

The Housing and Economic Recovery Act of 2008 (HERA) amended the qualification standards for Federal Housing Administration (FHA) approved appraisers. Mortgagee letter 2008-39 sets forth the revised eligibility requirements for appraisers to qualify for placement and retention on the FHA *Appraiser Roster* and provides the timeline for implementation of those requirements.

Section 202(f) of the National Housing Act mandates that all appraisers chosen or approved to conduct appraisals of properties that will be security for FHA-insured mortgages must: (1) be "certified" by the State in which the property to be appraised is located; or by a nationally recognized professional appraisal organization, and (2) have demonstrated

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National News Items

("Appraisers"—Continued from page 1)

verifiable education in the appraisal requirements established by FHA. (the term "state" in the Mortgagee Letter includes U.S. Territories.)

Although Section 202(f) of the National Housing Act was made effective upon enactment, FHA has determined that the loss of available FHA Roster appraisers in certain locations will impede its ability to support affordable mortgage financing in those areas, which would contravene the goals of the HOPE for Homeowners Program and hinder use of other FHA single family programs at a time when use of those programs has increased significantly. Therefore, in order to implement this change in appraiser eligibility requirements in a manner that is not disruptive to the FHA mortgage lending process, the requirement will be phased in as follows:

Effective October 1, 2008, FHA stopped accepting applications to the FHA Appraiser Roster from licensed but uncertified appraisers. All applicants for the FHA Appraiser Roster must be state certified (certified residential or certified general) appraisers who meet the minimum certification criteria issued by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. The requirements that applicants not be listed on the General Service Administration (GSA) Excluded Parties List System (EPLS), HUD's Limited Denial of Participation List (LDP), or HUD's Credit Alert Interactive Voice Response System (CAIVRS) remain unchanged.

No Later than October 1, 2009, all FHA Appraiser Roster appraisers in all states and territories must be state certified in order to be eligible to conduct appraisals for FHA-insured mortgages and remain on the FHA Appraiser Roster.

FHA MORTGAGEE INSTRUCTIONS

Commencing October 1, 2009, all FHA-approved lenders must use state certified appraisers for FHA-insured mortgages. The appraiser assignment field within the Case Number Assignment screen in FHA Connection must be input with an appraiser who is listed as either certified residential or certified general on the FHA Roster for the state in which the property is located. If, on or after October 1, 2009, an FHA-approved lender enters an appraisal assignment into FHA Connection for a property from a FHA Roster Appraiser who is licensed but not certified in accordance with this Mortgagee Letter, the appraisal will be unacceptable for FHA-insured financing and a second appraisal, performed by a state certified appraiser, must be completed at the lender's expense.

When appraisal assignments (case # assignments) are given to licensed appraisers prior to October 1, 2009, but the appraisal is not completed until after that date, the appraisal will be acceptable. However, the lender must assure that the appraisal assignment date is entered accurately into FHA Connection which must be a date prior to October 1, 2009. In these cases, the appraisal assignment must be submitted to the lender no later than October 30, 2009.

Appraisals that were completed by licensed appraisers prior to the deadline, which are transferred to a new lender, may be used as long as the original assignment date occurred prior to October 1, 2009.

ADDITIONAL INFORMATION - CERTIFICATION AND EDUCATION OF APPRAISERS

Currently, FHA allows both licensed and certified appraisers to conduct appraisals for FHA-insured mortgages as long as they qualify under the minimum criteria issued by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation as authorized under the provisions of Title XI of the Financial Institutions, Reform, Recovery and Enforcement Act of 1989 (FIRREA). (See the FHA Appraiser Roster regulations at 24 CFR 200.202.) Under FIRREA, the AQB establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state certification. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications.

To meet the new eligibility requirement, FHA appraisers must be certified by the state in which the property to be appraised is located, or by a nationally recognized professional organization. Under new section 202(f) of the National Housing Act, licensed appraisers would no longer be authorized to conduct appraisals of properties securing an FHA-insured mortgage.

Through FIRREA, Congress authorized the Appraisal Foundation to establish minimum qualification requirements for state certification of appraisers as well as promote minimum uniform appraisal standards. The Appraisal Foundation serves as the parent organization to AQB and the Appraisal Standards Board (ASB) to accomplish this mission. The AQB promulgates and maintains appraiser qualification criteria and the ASB promulgates and maintains the Uniform Standards of Professional Appraisal Practice (USPAP). The FHA Appraiser Roster regulations acknowledge this national role by requiring that appraisers

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State & National News Items

("Appraisals"—Continued from page 2)

applying for placement on the roster meet the minimum AQB education, examination, and training criteria. Given these unique responsibilities, FHA has determined that the Appraisal Foundation is a "nationally recognized professional appraisal organization" within the meaning of new section 202(f) of the National Housing Act. Moreover, FHA has determined that appraisers meeting the AQB criteria, as required by the FHA Appraiser Roster regulations, have "demonstrated verifiable education in the appraisal requirements established by FHA" under the new law.

FHA recognizes that there may be other national professional organizations that satisfy the requirements of section 202(f), and that there may be additional means of demonstrating verifiable education in FHA appraisal requirements. HUD will publish a notice in the Federal Register inviting the public to comment on nationally recognized professional appraisal organizations that FHA should consider as meeting the new statutory requirements.

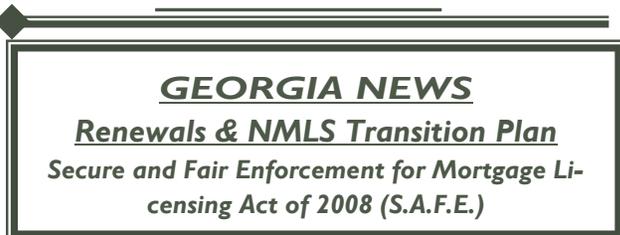
Appraiser Qualification Criteria

Appraisers seeking to become state certified should review the 2008 Real Property Appraiser Qualification Criteria at: <http://www.appraisalfoundation.org>

Procedures to Obtain Placement on the FHA Appraiser Roster

Applicants who meet all eligibility criteria may apply on-line at: <http://www.hud.gov/appraisers>

Mortgagee Letter 2008-39 may be found at: <http://www.hud.gov/offices/adm/hudclips/letters/mortgagee/files/08-39ml.doc>



Many thanks to those of you who have begun the transition to NMLS. This is a learning experience for licensees as well as the Department, and while there are many questions, so far the experiences have been positive.

Reminder—Each company holding a Georgia mortgage lender or broker/processor license or registration must create a company record (Form MU1) in NMLS for themselves and a record for each **approved in-state** Georgia branch (Form MU3), and

electronically submit those to the Department between January 2, 2009 and April 1, 2009 to renew and transition their license with no penalty. Beginning April 2, 2009 and through to June 30, 2009 you may renew and transition but the late renewal fee of \$300 will be assessed. Failure to renew and transition by the June 30, 2009 expiration of your current license or registration will require a new or reinstatement application in Georgia submitted through the NMLS.

Completing and submitting this transition record through **NMLS will also be the submission of your application for the Department's license and registration renewals** for a half year licensing period. A copy of Department's transition plan can be found on the NMLS website at:

www.stateregulatoryregistry.org/NMLS.

In addition, the following applications previously submitted to the Department must now be submitted through the NMLS:

- ☞ Branch - New BRANCH Application
- ☞ Branch - New MANAGER Application
- ☞ Change in Business Structure/Name
- ☞ Change in Control
- ☞ Change in Management
- ☞ Registration of a d/b/a Name

Also, the following miscellaneous record changes previously made through the Department's website must now be completed through the NMLS:

- ☞ Main Office Relocation/Address Change
- ☞ Branch Office Relocation/Address
- ☞ Mailing Address Changes
- ☞ Office Closure
- ☞ Contact Changes: Company, Complaint, Registered Agent, and other miscellaneous changes.

*Any of the foregoing applications or changes in information after transition must be submitted as an **amendment** filing through the NMLS.*

Please note that there is a checklist of required items that must be submitted **or** completed outside of the NMLS on-line at the **Department's** website in order to approve your renewal/transition. Unless hardcopy of a response or item is required, **the information can be entered on-line**. Your ID and password for Department access to report the DBF on-line items are required.

- **Bond or Letter of Credit:** One of these items, as applicable to your circumstance, must be on file and current. Submission required **ONLY** if not on-file and current.
- **Fines:** All outstanding fines must be paid. Unpaid fines, are payable on-line and are charged to your credit card or drafted from your bank account, depending upon your payment type. **Website:** <https://bkgfin.dbf.state.ga.us/MortgageDocs/MtgFinePay.html>

State News Items

- **\$6.50 per loan fees:** All per loan fees must be paid. Payments can be made on-line. **Available January 2009.**
Website: <https://bkgfin.dbf.state.ga.us/GRMAFee.html>
- **Continuing Education (CE) Brokers/Processors *ONLY*:** 12 CE hours are required to renew.
****CE requirement** information is available on the internet at: <http://dbf.georgia.gov/dbfmtgforms>
Post CE info at Website: <https://bkgfin.dbf.state.ga.us/MortgageDocs/MortgageRenewal.html> . **Available January 2009.**
- **Annual Questionnaire:** Calendar year 2008 operating and disclosure data must be completed. .
Post at Website: <https://bkgfin.dbf.state.ga.us/MortgageDocs/MortgageRenewal.html> **Available January 2009.**

Failure to complete these requirements will result in a delay in the issuance of your renewal license/registration until the deficiencies are corrected.

How to Access NMLS

DBF Website

Complete information and instructions from the Department's perspective regarding renewals, transition and access to NMLS can be found at: http://dbf.georgia.gov/00/channel/title/0,2094,43414745_46296143,00.html.

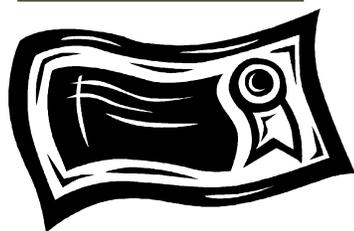
NMLS Website

Additional instructions and guides regarding use of the system and transitioning of licenses to the Nationwide Mortgage Licensing System is online at: www.stateregulatoryregistry.org/NMLS.

Correspondence regarding renewals/transition filing requirements will be sent to licensees through NMLS.

LICENSE REINSTATEMENTS

License **reinstatements** are not permitted through the system. Should your license expire and you wish to have the same number reinstated, this will be treated as a **new** application which must be made through the system and at submission, send a cover letter with your checklist items to the Department indicating the **license number** that you wish to reinstate. This, if approved, will be the license number assigned to your Georgia record at NMLS.



2009 CONTINUING EDUCATION

In conjunction with the interim licensing period in place to convert to a calendar year licensing period, the Department will not be requiring that brokers obtain any **additional** continuing education credits in order to file for their 2010 **calendar year** License. That calendar year license filing will be November 1, 2009 through December 31, 2009. That filing must be made through the NMLS, however a late filing fee of \$300 will be assessed on December 1. Continuing Education credits will **NOT** be required for that renewal filing.

Beginning with the renewal period for the 2011 Calendar Year license, licensees will be required to obtain 12 hours of continuing education credits. For that period **ONLY**, credits obtained from April 1, 2009 to October 31, 2010 can be used to qualify for renewal. After the 2011 renewal period (filings made November 1 to December 31, 2010), all continuing education credits must be obtained between November 1st thru the following October 31st in order to qualify for the 2012 and future licenses.



LICENSE NAMES

If you are seeking a Georgia license or registration or already have a license or registration as an incorporated entity, limited liability company, a partnership, or even a sole proprietor, please be aware that the terms "Bank", "Banc", "Bancorp", or "Trust" or other similar forms of these words cannot be used in your name, your d/b/a name, **OR YOUR ADVERTISING**. The term "Federal" cannot be used pursuant to Federal law, and the term "National" cannot be used in these instances without the permission of the Office of the Comptroller of the Currency, which will not be granted unless a national bank is involved.

It has been noted that some licensees (not bank chartered entities) who market to foreign (non-English speaking) affinity groups often use the words "bank" or "bancorp" in their advertisements in a particular foreign language. Such use is not permitted, be it in English or in a foreign language, as it purports a legal status that does not exist for that entity in this state.

Use of the aforementioned terminology in advertisements or as website URLs (d/b/a's) by licensees will result in advertising fines and if continued, may result in formal administrative action taken against the company.

SPEAKING ENGAGEMENTS—NDFI

- ☞ Deputy Commissioner Rod Carnes will be speaking to the Mortgage Brokers Association regarding updates to the “Laws & Rules” on February 12, 2009. Location to be announced. Please contact the Mortgage Broker’s Association at 770/993-5507.
- ☞ Commissioner Rob Braswell and Deputy Commissioner for Non-Depository Financial Institutions Rod Carnes will be speaking to the Mortgage Bankers at the State Capitol on February 17th at 8:00 a.m.
- ☞ Director for Mortgage Supervision Sandra Sheley will be speaking at the Georgia Real Estate Fraud Prevention and Awareness Coalition’s (GREFPAC) **5th Annual Education Conference** to be held [Cobb Galleria](#), Two Galleria Parkway, Atlanta, GA on Friday, February 20 from 8:30am to 4:30 pm.

**Administrative Actions****FINAL CEASE AND DESIST ORDERS**

- ◆ **Investment International, Inc., Norcross, GA (license no. 22085)** – Cease and Desist Order issued December 18, 2008 became final on January 17, 2009.
- ◆ **MCM Mortgage, LLC, Doraville, GA (license no. 19368)** – Cease and Desist Order issued December 4, 2008 became final on January 4, 2009.
- ◆ **Milestone Finance, LLC, Riverdale, GA (license no. 22263)** – Cease and Desist Order issued December 18, 2008 became final on January 18, 2009.
- ◆ **South Fulton Mortgage Company, Inc., East Point, GA (license no. 21886)** – Cease and Desist Order issued December 18, 2008 became final on January 19, 2009.
- ◆ **Tradewind Mortgage, LLC, Duluth, GA (license no. 16099)** – Cease and Desist Order issued December 2, 2008 became final on January 3, 2009.
- ◆ **Waller, Jeremy M. dba Maximum One Mortgage,** – Cease and Desist Order issued November 25, 2008 became final on January 7, 2009.
- ◆ **Westland Funding Group, Inc, Stuart, FL (license no. 22169)** – Cease and Desist Order issued December 30, 2008 became final on January 29, 2009.

Administrative Actions

CEASE AND DESIST ORDERS—LIFTED, RESCINDED, WITHDRAWN

- ◆ **Brookwood Mortgage Funding Corp., Atlanta, GA (license no. 6526)** – Cease and Desist Order issued May 29, 2008 was rescinded on January 2, 2009.
- ◆ **Jones Mobile Home Sales, Inc., Bainbridge, GA (license no. 7377)** – Cease and Desist Order issued October 31, 2008 was rescinded on January 7, 2009.
- ◆ **The Mortgage Experts of South Florida, Miami Gardens, FL (license no. 21704)** – Cease and Desist Order issued July 15, 2008 was rescinded on January 23, 2009.
- ◆ **Simons & Leoni Home Loans, LLC dba SLHomeLoans, Tampa, FL (license no. 21371)** – Cease and Desist Order issued March 27, 2008 was rescinded on January 2, 2009.

FINAL CONSENT ORDERS

- ◆ None

SUPERIOR COURT INJUCTIONS—ISSUED

- ◆ None

FINE INFORMATION

Information regarding fines assessed against a specific licensee, against whom there are no pending administrative actions, is available on an individual licensee basis by submitting a written request to the following e-mail address: dbfmort@dbf.state.ga.us

FINE REASON

- | | |
|--|---|
| 1 Licensee fined for Advertising Violations | 1 Licensee fined for Employment of a Felon |
| 3 Licensees fined for Background Checks Violations | 2 Licensees fined for Loans Files not properly maintained |
| 2 Licensees fined for Books & Records | 2 Licensees fined for Prohibited Act |
| 1 Licensee fined for Failure to submit Exam | |

Administrative Actions

LICENSEES/REGISTRANTS REVOKED, EXPIRED, SURRENDERED, WITHDRAWN OR DENIED IN JANUARY 2009

ID#	COMPANY NAME	CODE	REVOKED	EXPIRED	SURRENDER	WITHDRAWN	DENIED
14546	APEX MTG GRP INC	BD				01-16-2009	
15099	BROOKFIELD MTG CORP	BD				01-12-2009	
15658	IMPAC LENDING GRP	LD				01-27-2009	
16099	TRADEWIND MTG LLC	BD		01-03-2009			
18539	ULTIMATE MTG SVCS INC	BD				01-19-2009	
18989	LIFESTYLES MTG HOLD- INGS	BD				01-05-2009	
19101	FOUNDATION FINL GRP LLC	LD				01-16-2009	
19305	ORIGEN SVCG INC	LD				01-08-2009	
19368	MCM MTG LLC	BD		01-04-2009			
20053	A&C MTG LLC	BD				01-28-2009	
20807	TC FINL MTG LLC	BD				01-08-2009	
20853	AMEN MTG INC	BD				01-13-2009	
20913	MBS INTL CORP	BD				01-30-2009	
21086	METAMERICA MTG LEND- ERS	LD				01-22-2009	
21165	FAIRFIELD FINL MTG GRP	LD				01-05-2009	
21366	LANIER LENDING LLC	BD				01-13-2009	
21392	PREMIER FIRST FINL LLC	BD				01-23-2009	
21500	OMEGA MTG CORP	LD				01-27-2009	
21886	S FULTON MTG CO INC	BD		01-19-2009			
21989	TRINITY FREEDOM MTG INC	BD				01-28-2009	
22085	INVESTMENT INTL INC	BD		01-17-2009			
22169	WESTLAND FUNDING GRP INC	BD		01-29-2009			
22263	MILESTONE FIN LLC	BD		01-18-2009			
22486	SLOAN MTG GRP INC	LD				01-09-2009	
22606	BAYVIEW FIRST FUNDING LLC	LD				01-22-2009	
22652	VERIZON FINL LLC	BD				01-05-2009	
22817	VHS FINL INV INC	BD				01-08-2009	
23463	LADY MACBETH GA LLC	BD				01-15-2009	

TOTAL: 28

Administrative Actions

LICENSEES/REGISTRANTS APPROVED OR REINSTATED IN JANUARY 2009

ID#	COMPANY NAME	CITY	ST	MB CD	ORIGINAL APPROVAL	RENEWAL	REIN-STATED
16059	First Start Mortgage Corporation +	Decatur	GA	B	12-29-2000	01-02-2009	
22529	America's First Mortgage Lending Company +	Albany	GA	B	06-01-2007	01-09-2009	
23660	Brian A. Cole & Associates, Ltd.	Lakewood	OH	B	01-09-2009	01-09-2009	
23752	Rosa Martinez	Buford	GA	B	01-09-2009	01-09-2009	
23714	King Hoe Tan	Atlanta	GA	B	01-16-2009	01-16-2009	
23758	Deandre Bernard Mathis	Duluth	GA	B	01-16-2009	01-16-2009	
23712	Home Mortgage Network of America, Inc.	Deerfield Beach	FL	B	01-23-2009	01-23-2009	
23812	Community Home Financial Services Inc.	Jackson	MS	B	01-23-2009	01-23-2009	
6391	Peach State Mortgage Corp. +	Cartersville	GA	B	06-28-1993	01-30-2009	
23793	OPTIMUM Consumer Services, Inc.	Duluth	GA	B	01-30-2009	01-30-2009	
23808	The Mortgage Company	Centennial	CO	L	01-30-2009	01-30-2009	
6526	Brookwood Mortgage Funding Corp.	Atlanta	GA	B	07-20-1993	01-02-2009	01-02-2009
21371	Simons & Leoni Home Loans, LLC	Tampa	FL	B	05-12-2006	01-02-2009	01-02-2009
19323	Amy G. Creer	Conyers	GA	B	06-04-2004	01-09-2009	01-09-2009
19222	Mortgage Factory, Inc.	Houston	TX	L	11-19-2004	01-16-2009	01-16-2009
21704	The Mortgage Experts of South Florida, Inc.	Miami Gardens	FL	L	08-25-2006	01-23-2009	01-23-2009
14233	All-N-One Mortgage & Financial, Inc.	Decatur	GA	B	01-15-1999	01-30-2009	01-30-2009

TOTAL: 17

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We're on the Web!
dbf.georgia.gov

LICENSE STATUS CHANGE INDICATORS & MORTGAGE LICENSE CODES—(In Tables)

License Status Indicators		(MB CD) - Mortgage License Codes	
*	Upgrade Broker to Lender	B	Broker
+	Downgrade Lender to Broker	L	Lender
#	Upgrade Lender to Registrant	P	Processor
.	Downgrade Registrant to Lender	R	Registrant



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