



Pamela J. Strickland
 2334 Vista Madera
 Santa Barbara, CA 93101
 Phone: (805) 682-8734
 Fax: (805) 682-2084
 pam@pamstrickland.com

Pam-a-gram

September, 2010

Newsletter for California Mortgage & Real Estate Brokers

In This Issue

- Special Edition: SAFE Act

Online Classes

[Online DRE Classes](#)

[SAFE Act Exam Preparation](#)

Department of Real Estate Links

[Home Page](#)

[eLicensing](#)

[License Status](#)

Privacy Policy

Please reply to this message with requests for additions, deletions or changes to this e-mail list. We respect your privacy and do not provide your name or e-mail address to any outside party.

About Pam Strickland

Pam is a Real Estate Broker from Santa Barbara with over 30 years experience in Real Estate and Mortgage Lending.

Past-President, CAMB (California Association of Mortgage Brokers). Selected Mortgage Broker of the Year in 1992 by the CAMB and in 1993 by the NAMB (National Association of Mortgage Brokers).

Member, National Mortgage Review Committee for the SAFE Act Mortgage Test.

Member, California Mortgage Review Committee for the SAFE Act Mortgage Test.

Member, National Legal Review Committee for the SAFE Act Mortgage Test.

~~~~~  
 Any recommendations contained in this message are based on Pam's many years of personal experience and research in the Real Estate industry and must not be considered legal advice. Please consult with appropriate legal counsel for further clarification.

Contact Pam at:

[pam@pamstrickland.com](mailto:pam@pamstrickland.com)

**Due to all the recent changes in regulations, here is one more newsletter for DRE licensees who are originating loans or own a mortgage company.**



## SAFE Act Requirements Update

This is a reminder to everyone who wants to continue originating 1-4 Residential Loans after January 1, 2011, regarding SAFE Act requirements. Certain deadlines have already passed and others are looming. Are you in compliance?

### Individuals (Brokers or Salespersons) licensed by the DRE:

**The August 31 Deadline has PASSED:** By August 31<sup>st</sup> you needed to have registered with the NMLS (completed the MU-4) and paid the NMLS and DRE fees (\$360). You should have received an e-mail alerting you that the DRE Education Waiver invoice had been issued and ***you should have paid the \$15 fee to complete that waiver*** (paid through the NMLS site). If you haven't, **DO SO IMMEDIATELY!** That keeps you from having to take the 20 hour pre-endorsement class. If you didn't pay the fees and receive the waiver, you have NO choice but to take the 20 hours. *No exceptions!*

**Fingerprints must be run** (\$39 fee paid through the NMLS site) and completed ASAP. There will be a Credit Report (soft pull) required, but this won't be requested until later in the year.

There has been a lot of misinformation regarding the September 15<sup>th</sup> deadline for taking and passing the State and National tests (\$161 in fees). The DRE was definitely pushing for everyone to be finished with the tests by September 15<sup>th</sup> in order for the DRE to have time to finish all of the endorsements by the end of the year. If you haven't taken and passed the tests yet, get them done as soon as possible. If you forget your identification, they turn you away (and you have to pay again and reschedule). If you fail, you have to wait a full 30 days to retake the test(s) and pay again. If you change the date once you make the appointment, you have to pay again!

There is no truth to the misinformation that you will be fined daily after the 15<sup>th</sup> of September or that you are "out of business" if they aren't done by the 15<sup>th</sup> of September. However, the longer you wait, the greater the chances are that you won't have the endorsement by January 1, 2011, and then you WILL be out of the mortgage business until you complete all of the requirements and receive the endorsement! *Get 'er done NOW (she says in her best KY accent)!*

### Brokers who are Sole Proprietors licensed by the DRE:

If you are using your Broker's license with a company dba, you must not only file the MU-4 for yourself, but also file separately for your dba. This is an additional \$200 fee.

### Corporations licensed by the DRE:

This one gets more complicated. The Designated-Officer (Broker) must be the Qualifying Individual and meet all of the NMLS/SAFE Act requirements ***EVEN IF HE/SHE IS NOT ORIGINATING LOANS!*** The Corporation must file an MU-1, MU-2(s) for owners, MU-3(s) for

branches, in addition to the MU-4(s) for the originators (see above). The minimum cost for a Corporation filing is \$500 (NMLS/DRE). Even non-licensed owners must file an MU-2.

Additionally, the Corporation must ACCEPT and SPONSOR each of the originators after the originator has individually given access to the company.

Copyright © 2010 • Pam Strickland

## Compliance Consulting

For a thorough evaluation of your company's compliance with the multitude of regulations that pertain to the real estate industry, Pam is available for private, confidential in-office consulting. She can also help you prepare for and get through a DRE audit. Further information is available on her website:

[www.pamstrickland.com](http://www.pamstrickland.com)