

LENDERS UPDATE™

A MONTHLY SERVICE TO THE MORTGAGE LENDING INDUSTRY

AN ALT & ASSOCIATES NEWSLETTER

Main Office:
2102 BUSINESS CENTER DRIVE
SUITE 130
IRVINE, CA 92612

Mailing Address:
P.O. BOX 4125
IDY, CA 92549-4125

DAVID JEROME ALT

Attorney at Law

David.j.alt@altandassociates.com

TELEPHONE 949.253.5755

FACSIMILE 949.253.5756

www.altandassociates.com

January 2010

Supplement

The purpose of the Lenders Update is to provide a “heads-up” of new legislation and regulations affecting the mortgage lending industry. We provide summaries of new matters so our readers can judge whether the subject impacts their operations. We recommend that our readers review the entire new statute, regulation or other material in detail where it is relevant to them. For convenience, the applicable matter can be easily identified in the summary, and, where possible, a link is provided.

The Update includes information available to Alt & Associates as of January 11, 2010.

NEW DRE NOTIFICATION DUE JANUARY 31, 2010

As we reported in November 2009, California Senate Number 36 was signed by the Governor on October 11, 2009. This is California’s implementation of the Nationwide Mortgage Licensing System and Registry. The Act made changes to and impacted licenses issued under the California Finance Lenders Law, California Residential Mortgage Lending Act and the California Real Estate Law. For a summary of the Act, please see our Lenders Update of November 2009 at our website at www.altandassociates.com.

A portion of the new law applies only to those holding licenses issued by the California Department of Real Estate. It requires any real estate broker or sales person who makes or arranges loans secured by real property containing 1 to 4 residential units, to notify the department by January 31, 2010. Persons commencing activity must notify the department within 30 days of commencement.

If you are within this category, check the California DRE site and its announcements regarding this new requirement. The site indicates that the report can be filed online using RE 866 Mortgage Loan Activity Notification. Penalties do apply for non-compliance; \$50 per day for the first 30 days that the report is not filed and \$100 per day for any day thereafter. These cannot exceed \$10,000.

Our monthly Lenders Update is published via e-mail as a complimentary service to our friends and clients in the financial industry throughout California and the United States. Only those persons who have requested this newsletter are on our mailing list. Should you have colleagues who wish to receive this complimentary service, please have them e-mail us at

sherry.edwards@altandassociates.com

ALT & ASSOCIATES provides regulatory, compliance, operational advice and transactional assistance, as well as litigation representation, to the financial services industry. Over the past two decades, members of the firm have represented Institutional Lenders and Mortgage Bankers and Brokers in all aspects of their operations. If you have any questions please contact:

David J. Alt, Esq.

David.j.alt@altandassociates.com

You may view previous issues on our website at

www.altandassociates.com