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**IMMEDIATE ATTENTION:
New Mortgage Loan Originator/Loan Modification Frequently Asked Question**

Questions have been posed to OFIR concerning whether a mortgage loan originator license is required of an individual employed by a mortgage servicer and performing certain loan modification activities on behalf of that mortgage servicer. Based on these inquiries, OFIR is providing the following question and answer. This FAQ will also be placed on the OFIR website under the mortgage loan originator section.

Q: I am employed by a mortgage servicer and as part of my responsibilities, I perform one or more of the activities defined as “loan modification activities” by the Mortgage Loan Originator Licensing Act. Do I need to obtain a license as a mortgage loan originator?

A: The activities defined as “loan modification activities” do not independently necessarily rise to the level of engaging in the “business of a mortgage loan originator” requiring licensure. The Mortgage Loan Originator Licensing Act requires that an individual who “engages in the business of a mortgage loan originator” obtain a license under the Act. Under the Act, an individual engages in the business of a mortgage loan originator when such individual “originates” a residential mortgage loan by either: 1) taking a residential mortgage loan application; or, 2) offering or negotiating terms of a residential mortgage loan, for, or in the expectation of receiving, compensation or gain.

Accordingly, an individual who is employed by a servicer for the purpose of taking an application or gathering information from a borrower necessary to make a decision on whether to modify an existing residential mortgage loan, or who is in a position to offer or negotiate terms of a modification to an existing residential mortgage loan, is required to be licensed as a mortgage loan originator. However, a license is not required for an individual who is simply 1) collecting or receiving payments due on an existing residential mortgage loan or 2) initiating telephone calls or other communication to a borrower concerning the collection of payments on an existing residential mortgage loan, as long as such communications do not involve taking an application or offering or negotiating terms for a residential mortgage loan.

Please contact our office immediately via telephone toll free at 877-999-6442, and ask for the Consumer Finance Licensing Unit if you have any questions concerning this letter.

Sincerely,

/s/

Mark W. Weigold, Director
Consumer Finance Section

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