

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

February 10, 2021

Present: Audrey Acquisti
Daniel Grzywacz
Teri Heindrichs
Allison Johnston
Timothy Kleyla
Phil Mastin
Dr. Phares Noel

DIFS Staff: Alex Dornberg
Brenda Gardner
Marissa Hendee
Brienne Kemm
Michelle Tullar
Mark Weigold
Jim Westrin

Speakers Nancy Baker
Director Fox
Randall Gregg
Lee McCallister
Tabitha Zimny

Meeting conducted via Microsoft Teams due to COVID

Call to order at 8:33 am

- Motion to approve 11/19/20 minutes; motion passed

Licensing Population

- Current licensee population/statistics/applications
 - MLO Licensees
 - February 2021: Total 16,255 – 15,846 approved, 409 approved-inactive
 - February 2020: Total 11,953 – 11,619 approved, 334 approved-inactive
 - Applications currently pending: 586
 - First Mortgage Licensees and Registrants
 - February 2021: Total 956 – 716 licensees, 240 registrants
 - February 2020: Total 844 – 616 licensees, 228 registrants
 - Applications currently pending: 64 (55 licensees/9 registrants)
 - Secondary Mortgage Licensees and Registrants
 - February 2021: Total 302– 2 licensees, 300 registrants

- February 2020: Total 283 – 2 licensees, 281 registrants
- Applications currently pending: 9 (0 licensee/9 registrants)
- CFS Licensees
 - February 2021: Total 4
 - February 2020: 5
 - Applications currently pending: 0
- New Applications Volume
 - MLOs
 - 2021 year-to-date: 1,190
 - 2020 total: 6,611
 - First Mortgage Licensees and Registrants
 - 2021 year-to-date: 34
 - 2020 total: 214
 - Secondary Mortgage Licensees and Registrants
 - 2021 year-to-date: 3
 - 2020 total: 43
 - CFS
 - 2021 year-to-date: 0
 - 2020 total: 0
- 2021 Renewal Update
 - MLOs
 - Issued: 16,206
 - Received: 14,448
 - On-hold: 166
 - % Approved: 89%
 - First Mortgage Licensees and Registrants
 - Issued: 965
 - Received: 941
 - On-hold: 0
 - % Approved: 98%
 - Secondary Mortgage Licensees and Registrants
 - Issued: 303
 - Received: 296
 - On-hold: 0
 - % Approved: 98%
 - CFS
 - Issued: 4
 - Received: 4
 - On-hold: 0
 - % Approved: 100%
- Licensing/Renewal Highlights
 - To date (in 2021), DIFS has received 27 broker-only applications
 - DIFS received a record number of nearly 1,000 new MLO applications in January
 - DIFS renewal run-offs were significantly lower than predicted

- 1st and 2nd Mortgage run-off projection was 5%, actual number was 2%
- MLO run-off projection was 15%, actual number was 11%
- The Licensing Unit received kudos for their excellent work this renewal season despite the increased MLO population and being short-staffed
- Per Audrey Aquisti, some newly licensed Mortgage Brokers did not realize they needed to renew by December 31st. DIFS will update the New Licensee Letter to highlight renewal season information and add that information to renewal reminder emails.

Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section (MEIS) Statistics
 - Examinations submitted to office
 - January 2021 – 15
 - Year end 2020 – 179
 - Year end 2019 – 188
 - Investigations submitted to office
 - January 2021 – 3
 - Year end 2020 – 47
 - Year end 2019 – 43
 - Visitations for new licensees
 - January 2021 – 21
 - Year end 2020 – 144
 - Year end 2019 – 136
- MEIS supervisors and examiners continue to perform at prior year levels despite all the obstacles that COVID brought and not being fully staffed
- MEIS goal is to move from EGRESS to SES this year
- Examination & Accreditation
 - MEIS had 15 examinations and 21 visitations through January. If these numbers are annualized, we are on track for great performance in 2021
 - Part of the Accreditation process through CSBS is examining 20% of your population per year. We are close to this percentage and it will be an effort on DIFS end to get fully staffed and ramp everyone up to be on pace for 20% per year. With an increasing population it will get tougher.
- COVID Addendum to the OMQ is still being sent out and will continue to do so until we are instructed otherwise, via the DHHS Orders
- Examinations will remain off-site through at least Q2 2021
- Underwriting Standards Discussion
 - High volume of underwriting due to market
 - Inexperienced underwriters due to learning remotely
- Wells Fargo announcement regarding underwriter fraud
- Examination findings
 - Correspondent lenders do not know their file or understand that they are the lender on the file and are responsible for the disclosures and are to maintain the documentation
- Fraud seen by Industry: occupancy, gift documentation, and bank statements

- Appraisal Discussion Held

Guest Speakers

Director Fox, DIFS Update

- Discussed the economic component of COVID relating to the mortgage industry's importance to the economic well-being of our state and people
- Development of a departmentwide partnership with Industry working together to develop a financial literacy program, monitoring of foreclosures and delinquency activity, VA Home Loan education, and advocating for Federal COVID relief funds to assist in various aspects in the process of home ownership and keeping people in their homes
- MI Mortgage Relief Partnership – more than 59 mortgage institutions voluntarily participated in the program to make sure homeowners were offered forbearance when needed so Michigan did not have a housing crisis
- Statutory Modernization discussion regarding importance of updating statute language to make sure our statutes reflect how business is conducted today
- Accreditation Requirement discussion
- Discussion held regarding CSBS Money Services Business Model relating to cryptocurrency and blockchain under the Money Transmission Services Act

Nancy Baker, MSHDA Housing Update

- Discussion regarding MSHDA's relationship with the mortgage lender industry. Many of MSHDA's changes over past few years to make operations more efficient and more user friendly – have come directly from lenders – via survey responses.
- Marketplace conditions relating to COVID
 - During COVID the expansion of unemployment insurance, Payroll Protection Program, and mortgage forbearances have been vital in stabilizing household conditions early in the crisis. Low interest rates and the pent-up demand for housing has kept for-sale market strong.
 - Post-COVID goals are stabilizing households that are in place and working on the continuation of housing development at a variety of price points
- MSHDA's Response to COVID
 - Housing Counseling agencies assisted in the form of disaster response services, foreclosure prevention, and rental counseling. From March through October, they fielded over 21,000 calls and provided more than 17,000 individual services to those with housing hardships, including over 4,000 group services.
 - Forbearance plans were offered to homeowners with MSHDA mortgages and MSHDA was able to utilize the Hardest Hit Fund to assist those who were in a housing crisis. These monies are near depletion.
 - Promote federal legislation to provide additional funding to avoid foreclosures and to encourage the COVID Homeowner Assistant Fund

- Continue to promote homeownership via a new program to address local and regional homeownership challenges. An announcement of the program will be made on 2/23/21.
- Engage with workgroups regarding equity housing models and strategies to help serve underserved populations
- Advocate for Neighborhood Homes Investment Act
- MSHDA programs
 - MI Home Loan and MI Home Flex (purchase packages)
 - Down payment assistance with 0% interest
 - Mortgage Tax Credit Certificate
- Discussion held regarding Industries ability to offer MSHDA products

Randall Gregg, DIFS' Fraud Investigation Unit Update

- Presented the Board with an overview of DIFS Fraud Investigation Unit (FIU)
 - Executive Order 2018-9 established the Anti-Fraud Unit within DIFS
 - In 2019 Chapter 63 of the Insurance Code was enacted formally establishing the anti-fraud unit as a criminal justice agency in the department setting forth obligations to investigate insurance fraud. To date, over 9,200 complaints have been received
 - DIFS receives thousands of insurance fraud complaints through a national portal, through relationships built with local and federal law enforcement, and from civil court system pleadings
 - FIU has a formal agreement with the Michigan Attorney General's (AG) office. Dedicated staff from the Financial Crimes Division and the Auto Insurance Fraud Division work on investigation files submitted to them by the FIU
 - DIFS has a relationship with the AG's Consumer Protection Unit and meets with them to discuss FIU mortgage fraud referrals. Currently, the financial services markets do not have a fraud complaint portal
 - March of 2020 the insurance fraud task force was created. Its goal is to promote coordination and cooperation between the three member agencies to investigate and prosecute insurance fraud
 - Discussion held regarding DIFS fraud website and the online fraud complaint form

Lee McCallister, DIFS' Fraud Investigation Unit Manager Update

- Discussion held regarding the cycle of an insurance fraud complaint from receiving, reviewing, investigating, and prosecuting
- FIU started with 5 staff members and has grown to 15. Several of the investigators have prior law enforcement experience (120 years combined) and have relationships with local law enforcement and local prosecuting attorney offices
- 70 cases have been referred to the AG's office, seven resulted in convictions of a criminal offense involving fraud both in the insurance and financial services markets
- Due to COVID arrest warrants, court dates, and sentencings have been delayed

Tabitha Zimny, Legislative Update

- Housing is one of the priorities of all the caucuses and chambers. Several initiatives started last fall. Many participate on the MSHDA call with bankers, lenders, and credit unions to discuss Directors' Executive Orders relating to housing.
- Working on defining "what is financial literacy" including financial counseling prior to applying for loans, offering options for unbanked populations, more outreach and resources in each community, and how to extend fundamental financial literacy.
- Reviewing mandate to record a memorandum of land contract
- New Housing Counsel assembled by the Home Builders Association for Michigan. Goal is to increase workforce housing and take away unnecessary restrictions
- Coalition Update: Tax Credits and Funding Mechanisms
 - Principle Residence Exemption for long-term, affordable rental housing
 - Allow Payment in Lieu of Taxes for Local Units of Government
 - Employer Supported Housing Credit
 - Residential Facilities Exemption – Modeled after the Industrial Facilities Exemption
 - Authorize Regional Housing Commissions or Regional Housing Trust Funds
 - Residential Rehab & Workforce Housing Act
 - Neighborhood Enterprise Zone Amendments
 - Removal of Non-Homestead Tax Rate on Development Land
- Regulatory Update: Regulatory Changes
 - Expedited Review of Housing Development Plans
 - Discourage Ordinances that Prohibit Building Techniques or Products Allowed in the State Construction Code
 - Restore the Authority of the State Construction Code Commission
 - Re-Establish the Code Promulgation System Using Industry Experts
 - Impact Housing Analysis/Study

Looking Ahead

- Uniform Residential Loan Application (Form 1003) roll -out in March
- FHA approved the DACA Program
- Possible reduction of the MIP fee
- Rumors of \$15,000 credit for first time homebuyers

Meeting adjourned at 10:44 am

Next Meetings

- May 12, 2021 at 8:30 am via MS Teams
- August ____, 2021 at 8:30 (TBD)

Teri Heindricks, MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

May 12, 2021

Present: Audrey Acquisti
Daniel Grzywacz
Teri Heindrichs
Allison Johnston
Timothy Kleyla
Phil Mastin
Dr. Phares Noel

DIFS Staff: Alex Dornberg
Brenda Gardner
Marissa Hendee
Brienne Kemm
Michelle Tullar
Jim Westrin

Speakers: Melissa Kozicki
Jeff Weisserman
David Corwin
Tabitha Zimny

Meeting conducted via Microsoft Teams due to COVID

Call to order at 8:35 am

- Motion to approve 2/10/21 minutes; motion passed

Licensing Population

- Current licensee population/statistics/applications
 - MLO Licensees
 - May 2021: Total 18,538 – 17,213 approved, 1,325 approved-inactive
 - May 2020: Total 13,128 – 12,418 approved, 710 approved-inactive
 - Applications currently pending: 653
 - First Mortgage Licensees and Registrants
 - May 2021: Total 1,010– 767 licensees, 243 registrants
 - May 2020: Total 881 – 651 licensees, 230 registrants
 - Applications currently pending: 72 (69 licensees/3 registrants)
 - Secondary Mortgage Licensees and Registrants
 - May 2021: Total 309– 2 licensees, 307 registrants
 - May 2020: Total 295 – 2 licensees, 293 registrants
 - Applications currently pending: 17 (1 licensee/16 registrants)

- CFS Licensees
 - May 2021: Total 4
 - May 2020: 4
 - Applications currently pending: 1
- New Applications Volume
 - MLOs
 - 2021 year-to-date: 3,818
 - 2020 total: 6,611
 - First Mortgage Licensees and Registrants
 - 2021 year-to-date: 126
 - 2020 total: 214
 - Secondary Mortgage Licensees and Registrants
 - 2021 year-to-date: 20
 - 2020 total: 43
 - CFS
 - 2021 year-to-date: 1
 - 2020 total: 0
- Pending Mortgage Company Applications
 - Mortgage Licensees
 - 38 brokers
 - 24 broker, lenders
 - 7 broker, lender, servicers
 - Registrants
 - 3 broker, lender, services
- Licensing Discussion
 - DIFS received almost 4,000 MLO applications so far; in 2020 we received 6,611 MLO applications total.
 - Staffing: In the beginning of May we hired an MLO program analyst, Jason Wohlfert. That position had been vacant since mid-last year.
 - New Broker License letter was submitted for final approval to upper management and has been put into effect.
 - Increased MLO population appears to be a national trend. Driving forces:
 - Individuals wanting to open their own broker shops
 - Low interest rates
 - Companies expanding into other states, including Michigan
 - Purchase Agreements are coming in at \$50,000 to \$70,000 higher than the purchase price. This is due to the competitive market caused by fewer homes for sale and fewer new construction homes due to lumber prices

Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section (MEIS) Statistics
 - Examinations submitted to office thru April
 - 2021 – 61
 - 2020 – 53
 - Investigations submitted to office thru April

- 2021 – 15
- 2020 – 20
- Visitations for new licensees thru April
 - 2021 – 61
 - 2020 – 46
- MEIS's internal policy is to reach out to newly licensed entities within six months of licensure with the goal of compliance from the beginning. The MEIS administrative assistant keeps track of the new licensees and assigns them as they are due. Our team has done a good job of both continuing with examination work and reaching out to newly licensed entities.
- Licensee/registrant population continues to steadily increase primarily within the first mortgage licensee population
 - January – 1,257
 - February – 1,283
 - March – 1,303
 - April – 1,320
- Staffing: MEIS recently hired a new examiner and hopes to have another in May. This would make the MEIS examination fully staffed at 14 examiners.
- Discussion held regarding on-site offline examinations
 - Most Industry staff continue to work remotely. This is likely to continue until after school resumes or the end of the year.
 - Many lenders may allow employees to choose whether to work in-person or remotely
- CSBS Non-Depository Cybersecurity Examination Program
 - DIFS is in the process of piloting the non-depository cybersecurity examination program established by CSBS on a few companies
 - 2022 is the projected roll-out
 - Is based on non-depository program
 - Will be approximately 48 different controls to address
 - DIFS will work on a communication strategy and look for CSBS presentations that can be shared
 - Cybersecurity conversations are being conducted within the states through CSBS on the cybersecurity program. Out of those conversations “best practices” will be developed based on size and business scope of the entity.
- State Examination System (SES)
 - MEIS scheduled a few examinations to be conducted through SES this year. DIFS hopes to have a communication out to Licensees and Registrants with more information soon.

Guest Speakers

Tabitha Zimny, Legislative Update

- Provided a budget overview
 - Fiscal Year Budget
 - Supplemental Process handling the COVID Relief Federal Funds. Some that affect the MIAB Industry are:
 - COVID Emergency Rental Assistance (CERA)
 - Eviction Diversion Program (EDP)
 - Housing Assistance Payments (HAP)
 - Hardest Hit Fund (HHF)
 - Forbearance
 - First time homebuyers' programs
- Bi-Weekly Check-Ins with MSHDA to help develop Governor Whitmer's statewide housing plan. Discussion included:
 - Land Contract Regulation
 - Rehab and development of residential housing
 - Millennial home-buying trends
 - Seniors out-bidding first time home buyers in \$150,000 home market
 - Housing Coalition – Affordable/Attainable Housing
 - Financial Literacy – multi agency discussions being held
 - Short-term housing – attainable workforce housing
 - Senior Housing
 - Reinventing commercial properties

Melissa Kozicki, QM Rule Update as of April 27, 2021

- December 2020 Final Rules Discussion
 - Seasoned QM
 - QM Patch scheduled to expire on January 10, 2020 was extended to 10/1/22, the mandatory compliance date
- General QM Definition Modifications
 - Elimination of 43% max DTI and Appendix X
 - New price-based test for determining QM status
 - QM safe harbor test modification
- Discussion held regarding
 - ATR/QM and price-based test
 - Underwriting Policies and Procedure Manual changes that will be required for QM loan status

Jeff Weisserman, Forbearance Update

- Discussed CFPB proposed amendments to Regulation X
 - CFPB proposed rule change would prohibit mortgage servicers from starting foreclosure until after December 31, 2021. This will ensure that borrowers affected by the COVID-19 pandemic will have a review period to evaluate loss

mitigation loss before initial foreclosure in hopes to prevent Covid-19 foreclosures

- CFPB requested public comment on proposed rule on April 5, 2021, comment period ended May 10, 2021
- Final rule scheduled release date is July 1, 2021
- Scheduled effective date of August 31, 2021
- Statistics: Borrower's exiting forbearance plans from June 1, 2020 – May 2, 2021
 - 27% deferral
 - 25% continued to make monthly payment
 - 25% never used their forbearance
 - 15% borrowers who did not make all their monthly payments and exited forbearance and did not enter a mitigation plan at that time because there was still time to do so.
 - 14.2% reinstatements (caught up payments)
 - 9.8 – 10% loan modification
 - 7.5% loans paid off (refinance or selling home)
 - 1.6% other

David Corwin, Rural Development

- Discussed the Guaranteed Loan Program (GLP) Qualification
 - How the program helps a borrower become a homeowner
 - Why lenders should utilize the program
 - Eligibility criteria
- Discussed the GLP originating and underwriting overview and the Basic GUS Process
- Provided an overview of GLP new website

Agenda Items Discussion

- FHFA 7% rule for second homes and investment property
- FHFA announced a new refinance program for low-income families
- Lenders need more information regarding a new rule capping refinances that a lender can have; it is about 6% of the individual's volume, you cannot have a combined loan-to-value over 90%, DIT over 45% or a lower score than 60, effective July 2021.
- QM Rule
- UWM/Rocket/Fairway – potential ramifications to lenders for fair lending. DIFS is monitoring this.
- Rocket Mortgage paying to share their mortgage app with customers; licensing in NMLS is required

Meeting adjourned at 11:25 am

Meetings

- August 4, 2021, at 8:30 am via MS Teams

Teri Heindricks, MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
OFFICE OF CONSUMER FINANCE**

Mortgage Industry Advisory Board

BOARD MEETING MINUTES

August 4, 2021

Present: Audrey Acquisti - absent
Daniel Grzywacz
Teri Heindrichs
Allison Johnston
Timothy Kleyla
Phil Mastin
Dr. Phares Noel
DIFS Staff: Alex Dornberg
Brenda Gardner
Marissa Hendee
Brianne Kemm
Michelle Tullar
Jim Westrin
Speaker: Jeff Weisserman

Meeting conducted via Microsoft Teams due to COVID

Call to order at 8:30 am

- Motion to approve 5/12/21 minutes; motion passed

Licensing Population

- Current licensee population/statistics/applications
 - MLO Licensees
 - August 2021: Total 20,290 – 18,079 approved, 2,211 approved-inactive
 - August 2020: Total 14,780 – 13,557 approved, 1,223 approved-inactive
 - Applications currently pending: 528 (123 are broker-only apps)
 - First Mortgage Licensees and Registrants
 - August 2021: Total 1,101 – 847 licensees, 254 registrants
 - August 2020: Total 920 – 686 licensees, 234 registrants
 - Applications currently pending: 49 (37 licensees/12 registrants)
 - Secondary Mortgage Licensees and Registrants
 - August 2021: Total 325 – 1 licensee, 324 registrants
 - August 2020: Total 298 – 2 licensees, 296 registrants
 - Applications currently pending: 11 (1 licensee/10 registrants)
 - CFS Licensees
 - August 2021: Total 5
 - August 2020: 4

- Applications currently pending: 0
- New Applications Volume
 - MLOs
 - 2021 year-to-date: 6,611
 - 2020 total: 5,662
 - First Mortgage Licensees and Registrants
 - 2021 year-to-date: 200
 - 2020 total: 215
 - Secondary Mortgage Licensees and Registrants
 - 2021 year-to-date: 35
 - 2020 total: 44
 - CFS
 - 2021 year-to-date: 1
 - 2020 total: 0

Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section (MEIS) Statistics
 - Examinations submitted to office thru July
 - 2021 – 96
 - 2020 – 96
 - Investigations submitted to office thru July
 - 2021 – 25
 - 2020 – 27
 - Visitations for new licensees thru July
 - 2021 – 105
 - 2020 – 94
 - Staffing
 - Licensee/registrant population continues to steadily increase, while staffing has remained the same.
 - Board congratulated Marissa Hendee regarding her promotion to Assistant Director of the Office of Consumer Finance
 - OCF will backfill Marissa's vacant position in the near future
 - Regulation and investigation of MLO broker-only population will likely be more targeted/risk focused
 - General return to the office and in-person examination discussion held
 - Examination trends – other than difficulties with licensees submitting incomplete records or no records at all, DIFS is not seeing anything to be concerned with
 - Discussions held regarding loan servicing challenges (staffing, learning curve, costs)

Agenda Item Discussions held

- FHFA .50 basis points hits
- Possible removal of the second home/investment cap
- Possible increase in G-Fees
- Reduction of student loan calculation

- Appraisal issues
- Additional Loan Modification GSE Flex Mod
- Rate information and servicing values, tax increase
- Federal government purchase of MBS

Guest Speaker, Jeff Weisserman, Trott Law

- Provided Board with updated forbearance servicing portfolio and forbearance exit statistics
- A year-end foreclosure wave is not expected
- Abandoned property discussion – many states do not have a definition of “abandoned property”

Looking Ahead

- MIAB board terms/expiration dates
 - Chairperson Allison Johnston will term out May 2022
 - The following member terms will expire May 2022 and were asked to consider reappointment:
 - Audrey Acquisti
 - Daniel Grzywacz
- More discussion to be held at the next meeting

Meeting adjourned at 9:48 am

Next Meetings

- November 10, 2021 at 8:30 am via MS Teams
- February ____, 2022 at 8:30 (TBD)

Teri Heindricks, MIAB Secretary

Michelle Tullar, DIFS Recording Secretary

**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES
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BOARD MEETING MINUTES

November 10, 2021

Present: Audrey Acquisti
Daniel Grzywacz
Teri Heindrichs
Allison Johnston - absent
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Phil Mastin
Dr. Phares Noel
DIFS Staff: Alex Dornberg
Brenda Gardner
Marissa Hendee
Brienne Kemm
Elliott Purty
Michelle Tullar
Jim Westrin
Speakers: Jeff Weisserman
Tabitha Zimny

Meeting conducted via Microsoft Teams due to COVID

Call to order at 8:30 am

- Motion to approve 8/4/21 minutes; motion passed

OCF Staffing Update

- Brienne Kemm, promoted to MEIS Director
- Elliott Purty, promoted to MEIS Regional Manager
- Drew Thelen, promoted to Departmental Specialist, overseeing the MLO program in a larger capacity. We are backfilling the Departmental Analyst position.

Board Appointments – May 2022

- Allison Johnston term expires
- Daniel Grzywacz is eligible for reappointment. Daniel indicated he would be willing to accept the Chairperson appointment in May
- Audrey Acquisti is retiring in 2022. Board congratulated Audrey for being presented with the JT Barns Award by Michigan Mortgage Lenders

Licensing Population

- Current licensee population/statistics/applications
- MLO Licensees
 - November 2021: Total 22,212 – 19,335 approved, 2,877 approved-inactive

- November 2020: Total 16,056 – 14,567 approved, 1,489 approved-inactive
- Applications currently pending: 455
- First Mortgage Licensees and Registrants
 - November 2021: Total 1,169 – 906 licensees, 263 registrants
 - November 2020: Total 946 – 708 licensees, 238 registrants
 - Applications currently pending: 35 (28 licensees/7 registrants)
- Secondary Mortgage Licensees and Registrants
 - November 2021: Total 338 – 1 licensee, 337 registrants
 - November 2020: Total 302 – 2 licensees, 302 registrants
 - Applications currently pending: 10 (2 licensee/8 registrants)
- CFS Licensees
 - November 2021: Total 5
 - November 2020: 4
 - Applications currently pending: 0
- New Applications Volume
 - MLOs
 - 2021 year-to-date: 7,780
 - 2020 total: 5,662
 - First Mortgage Licensees and Registrants
 - 2021 year-to-date: 288
 - 2020 total: 215
 - Secondary Mortgage Licensees and Registrants
 - 2021 year-to-date: 50
 - 2020 total: 44
 - CFS
 - 2021 year-to-date: 1
 - 2020 total: 0
- Renewal Discussion
 - MLO annual renewal period is from November 1 through December 31. Reinstatement runs through February 28
 - Staff are asking new licensees/registrants if they want their license activated immediately or wait until January 1 to avoid paying the renewal fee
 - NMLS platform overwhelmed due to the heavy volume of renewal traffic. OCF Licensing staff working off hours to keep up with applications and renewals
 - Audrey gave kudos to DIFS Licensing staff for quickly processing applications
 - Application numbers are up in all mortgage programs, specifically in the MLO program. This is most likely due to the low interest rate environment.

Compliance/Examination/Enforcement Discussion

- Mortgage Examination and Investigation Section (MEIS) Statistics
 - Examinations submitted to office thru November
 - 2021 – 125
 - 2020 – 146

- Investigations submitted to office thru November
 - 2021 – 38
 - 2020 – 37
- Visitations for new licensees thru November
 - 2021 – 165
 - 2020 – 132
- Examination Discussion
 - MEIS examination staff continue to receive positive feedback/kudos from licensees regarding the visitation program. Our goals are to touch base with new licensees within the first six months of licensing to ensure they are on the right path of compliance with state and federal law.
 - Examinations continued to be assigned throughout Q4 and were conducted offsite; OCF scheduled 3 on-site examinations however, they did not work out and 2 were performed offsite and 1 was rescheduled. OCF's goal is to get back to conducting examinations onsite but will continue taking licensees feedback into consideration.
 - Many companies continue to work remotely. OCF does not go into the homes of licensees, should the licensee be licensed out of their home. Examiners work with them to gather documents electronically. A recommendation was made for OCF to develop instructions regarding a template/structured format on how to upload documents into Egress.
 - Examination informal target is 20% of the licensee population per year which has historically been an accreditation requirement, there is no statutory requirement. We were close to the target last year; however, the licensee population continues to increase while our examination staff number remains the same is making it difficult to keep on pace with the 20% per year.

Agenda Items Discussion

- Jumbo Market: Fannie Mae and Freddie Mac increased the maximum conventional loan limit from \$548,000 to \$625,000
- Mortgage Brokers Association board member changes
- Rising interest rates
- Fannie Mae and Freddie Mac announced increased caps on second home and investment properties
- Desktop appraisal policies will continue

Tabitha Zimny, Karoub Associates

- Provided a legislative update
- Discussion held regarding the following topics:
 - Redistricting Committee
 - Affordable Housing Initiatives
 - Short term rentals
 - Adopting uniform requirements for rentals
 - E-Notary
 - Homebuyer Savings Program

- Financial Literacy
- Accessory Dwelling Unit/Tenant

Jeff Weisserman, Trott Law

- Provided a forbearance exit update
- Discussed Regulation X Amendment
- Discussed CFPB Final Rule – effective date, November 30, 2021

Meeting adjourned at 9:54 am

Next Meetings

- February 23, 2022, at 8:30 am via MS Teams
- May 2022 - TBD

Teri Heindricks, MIAB Secretary

Michelle Tullar, DIFS Recording Secretary