

DEPARTMENT OF CORPORATIONS*Business Services and Consumer and Investor Protection*

Preston DuFauchard
California Corporations Commissioner
Los Angeles, California

IN REPLY REFER TO:
FILE NO: ALPHA

January 24, 2011

To: All California Residential Mortgage Lending Act and California Finance Lenders Law Licensees

RE: NMLS MORTGAGE CALL REPORT

All licensees under the California Residential Mortgage Lending Act and licensees under the California Finance Lenders Law that employ mortgage loan originators licensed by the California Department of Corporations or the California Department of Real Estate must complete and submit the NMLS Mortgage Call Report starting the second calendar quarter of 2011 for activity and financial information reflective of the first quarter of 2011. The NMLS Call Report must be filed quarterly within 45 days following the end of each calendar quarter. The NMLS Call Report for the quarter ending March 31, 2011 must be filed electronically through the Nationwide Mortgage Licensing System by May 15, 2011. The first quarterly NMLS Call Report is expected to be available in NMLS by the end of April 2011.

Failure to submit the NMLS Mortgage Call Report may result in the assessment of a penalty, suspension or revocation of your California Residential Mortgage Lending Act or California Finance Lenders Law license. Senate Bill 36 was enacted into law on October 11, 2009 in order to bring the mortgage licensing laws of the State of California into compliance with the federal *Secure and Fair Enforcement for Mortgage Licensing Act of 2008* ("SAFE Act"). The SAFE Act requires all mortgage licensees to submit a report of condition to NMLS in such form and containing such information as the NMLS may require.

What you need to know:

All companies holding a California Residential Mortgage Lending Act license, California Finance Lenders Law licensees who make, broker or service residential mortgage loans and all Department of Corporations licensees who employ mortgage loan originators licensed by the Department of Corporations or the Department of Real Estate must complete the NMLS Mortgage Call Report on a calendar quarter basis and submit it through NMLS. The NMLS Mortgage Call Report is a single report of condition that reflects the entire mortgage activity and financial information of a company. Additionally, an NMLS Processing Fee may be charged for the submission of the NMLS Mortgage Call Report. Failure to submit the NMLS Mortgage Call Report will result, at a minimum, in a deficiency placed on your license. Failure to cure the deficiency before a renewal period will prevent a company from renewing its license.

What you need to do:

More information about the NMLS Mortgage Call Report can be found at <http://mortgage.nationwidelicencingsystem.org/SLR/COMMON/MCR/Pages/default.aspx> including what information your company will be required to submit as part of the NMLS Mortgage Call Report. This information will be reported through NMLS starting in the second calendar quarter of 2011 for first calendar quarter activity and financial information. NMLS functionality will enable companies to submit this data either manually or through an upload option.

Your company must ensure the “Other Business” section of your MU1 record is accurate. All companies that are Fannie Mae or Freddie Mac Approved Seller/Servicers or Ginnie Mae Issuers are required to submit more comprehensive information than other companies. The additional information is substantially similar to information these companies submit as part of the Mortgage Bankers’ Financial Reporting Form.

Should you have any questions, please contact the Department of Corporations at (866) ASK-CORP.