



## Arizona Loan Officer Licensing

Yesterday, July 1, 2010, was the deadline for all originators of residential Arizona mortgage loans to be licensed or registered. If an originator's license has not been issued, they must cease all Arizona mortgage origination activity.

As part of the Housing and Economic Recovery Act of 2008, the Secure And Fair Enforcement (SAFE) Act was implemented to enhance consumer protection and reduce fraud by encouraging states like Arizona to establish minimum licensing and registration standards for all mortgage originators. The SAFE Act encourages states to participate (Arizona participates) in the Nationwide Mortgage Licensing System (NMLS) and requires states to have in place a system for licensing and registering mortgage originators in accordance with the requirements set forth in the law.

All Arizona mortgage originators working for brokers, mortgage bankers (Cherry Creek Mortgage is a licensed Arizona mortgage banker) or loan modification companies are mandated to complete a series of requirements determined by the Arizona Department of Financial Institutions. Currently, mortgage loan originators who work for an insured depository (or its owned or controlled subsidiary) that is regulated by a federal banking agency, or for an institution regulated by the Farm Credit Administration, are only required to be registered through the NMLS system. It's important to understand there is a difference between a licensed and registered mortgage originator. Registered mortgage officers are not currently required to complete the education, exams, background and fingerprinting requirements that licensed loan officers have to complete.

To obtain an Arizona State license, an originator must complete 20 hours of pre-licensing education, 2 exams (National Law & Arizona State Law), an extensive background check (which includes fingerprinting) and pay the required fees.

On June 29<sup>th</sup>, the following statistics were released by the Department of Financial Institutions for Arizona Originators:

- 1,674 are licensed
- 150 are approved, but DFI is awaiting their final payment to issue the license
- 905 have application deficiencies
- 1,349 have applications yet to be fully processed

These numbers are staggering considering there were more than 5,000 loan officers in the state prior to the SAFE Act being implemented!

### [Tax Credit Update](#)

Late Wednesday night (June 30<sup>th</sup>), Congress passed the extension of the Homebuyer Tax Credit closing deadline. Buyers, who were under contract by the April 30 deadline, now have until September 30<sup>th</sup> to close on their purchase transactions. This is great news for those still waiting on a short sale bank approval or for loan fundings that missed the June 30<sup>th</sup> deadline.

Tara Bradley, my transaction coordinator, and I are State of Arizona licensed and committed to educating and serving our client's in an efficient, professional manner. Feel free to call or email me with any Arizona mortgage questions regarding the SAFE ACT or the Tax Credit.

Wishing you a fabulous 4<sup>th</sup> of July weekend! Be safe ~

Kelly Zitlow

**Kelly L. Zitlow, CMPS®**  
 Branch Manager  
 Licensed Mortgage Professional  
 NMLS # 164330

Direct: 480-398-4908  
 E-Fax: 480-240-5324  
 Email: [kzitlow@ccmclending.com](mailto:kzitlow@ccmclending.com)  
 Website: [www.kellyzitlow.com](http://www.kellyzitlow.com)

EQUAL HOUSING LENDER AZ BK #0904024

**Tara Bradley**  
 Transaction Coordinator  
 NMLS # 203298  
 Direct 480-398-4903  
[tbradley@ccmclending.com](mailto:tbradley@ccmclending.com)

**Karen Hunt**  
 Sr. Loan Processor  
 Direct 480-398-4902  
[khunt@ccmclending.com](mailto:khunt@ccmclending.com)