



## State of Wisconsin

### *Department of Financial Institutions*

Scott Walker, Governor

Peter Bildsten, Secretary

January 29, 2014

### **Testimony on Assembly Bill 678** **To the Assembly Committee on Financial Institutions**

Good morning, Chairman Craig and members of the committee. My name is Georgia Maxwell, Assistant Deputy Secretary for the Department of Financial Institutions. It is my pleasure to testify today about Assembly Bill 678.

This bill helps to promote an environment in which businesses can grow and prosper while also maintaining protections for consumers. Because consumers generally take out only a few home loans over the course of their lives, and such transactions are typically the largest financial commitment they will make, the protections afforded through effective regulation are critical.

Some of the changes made in this proposed bill were offered in response to changes in the federal law. When first passed, the federal Secure and Fair Enforcement for Mortgage Licensing Act (known as the S.A.F.E. Act) allowed for very few exemptions. Subsequently, changes were made to exempt, under certain circumstances, loan originators who are employees of federal, state, and local governments; housing finance agencies; and bona fide non-profit organizations. This bill will bring the exemptions in Wisconsin's mortgage licensing law in line with those in the federal law.

Other highlights of AB 678:

- This bill creates a "di minimus" exemption, which will allow a person to engage in a limited number of transactions without a license. This will allow, for example, a person to act as a mortgage loan originator to sell his or her vacation home without needing a license.
- This bill will allow an otherwise exempt depository institution to become a registered entity for the purpose of sponsoring licensed mortgage loan originators. The registered entity will be held responsible for loan originators who are acting on behalf of the registered entity.
- This bill will reduce regulatory burden by changing the annual financial statement requirement for mortgage brokers from audited financial statements to reviewed financial statements.

- Understanding the importance and utilization of modern technology in the mortgage industry, this bill will allow a mortgage loan originator to be assigned to and work out of a licensed office that is his or her residence.

DFI supports this bill, and feels its passage is important to those financial entities who wish to provide the residents of this state with credit choices.

Thank you for the opportunity to address the committee on this piece of legislation. Accompanying me today are Michael Mach, Administrator of DFI's Division of Banking, and Jean Plale, Director of DFI's Licensed Financial Services Bureau. We would be happy to field any questions from committee members.



# Memorandum

**To:** All Legislators  
**From:** Tom Larson, Vice President of Legal and Public Affairs  
**Date:** January 28, 2014  
**Re:** AB 678 -- Mortgage Loan Originators

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The Wisconsin REALTORS® Association supports AB 678, legislation modifying Wisconsin's SAFE Act law to be consistent with federal law by exempting from the mortgage loan originator licensing (MLOL) requirement (a) sellers who provide seller financing on more than 5 residential transactions per year, and (b) real estate licensees who use state-approved forms in affected transactions involving financing contingencies.

## Background

The Secure and Fair Enforcement Mortgage Licensing Act of 2008 (SAFE Act) was enacted to enhance consumer protection and reduce mortgage fraud by requiring states to establish MLOL requirements that meet minimum federal standards. SAFE Act provisions require states to establish MLOL requirements that meet minimum requirements with respect to residential mortgage loans made primarily for personal, family or household use.

The Consumer Financial Protection Bureau (CFPB) released its final rule on January 30, 2013. The portions of the rules affecting this discussion take effect January 10, 2014.

The Wisconsin SAFE Act (Wis. Stat. Ch. 224), which was adopted and effective in January 1, 2010, is inconsistent with some of these new federal standards. Wisconsin's SAFE Act imposes additional limitations on who can offer, negotiate and draft seller financing terms, like land contracts, when residential purchases by consumers are involved. Specifically, Wisconsin's law is inconsistent with federal law in the following areas:

- **Seller financing exemption when seller is not in the routine business of financing real estate transactions.** Wisconsin requires a seller to have a mortgage loan originator license or some other mortgage license when the property is not the seller's residence and the buyer is purchasing the property to be used as the buyer's residence. (e.g., a trust, estate or individual seller is offering seller financing to a buyer who intends on living in the home). This standard applies regardless of the number of times such financing is offered by the seller.

- **Exemption for those providing only real estate brokerage services.** For affected transactions, Wisconsin's law requires the real estate licensee to obtain a mortgage loan originator's license when financing terms are "negotiated" as part of the Offer to Purchase ("Offer"). Because most Offers are contingent upon financing with the terms of such financing specified in the Offer, real estate brokers are often required to obtain a mortgage loan originator's license even though they are providing only real estate brokerage activities and using the forms that Wisconsin law requires them to use.

The inconsistencies between federal and state law are harmful to the real estate industry for the following reasons:

- Creates confusion and perpetuates misunderstanding as to the role a real estate licensee may play in a transaction that involves seller financing.
- Disallows a real estate licensee to provide real estate brokerage services without holding a mortgage loan originator license when the real estate licensee is only performing real estate brokerage services.
- Requires sellers to obtain a mortgage loan originator license in circumstances which are clearly exempt by federal law.

#### **AB 678**

To reduce confusion and create uniformity between federal and state law regarding seller financing, AB 678 makes two changes to Wisconsin law:

- **Exempting sellers who occasionally provide seller financing.** AB 678 exempts sellers who are not "regularly engaged" in the business of a mortgage loan originator. Specifically, the bill exempts sellers offering seller financing on 5 or fewer transactions per year. (See Section 28)
- **Exempting real estate brokers who are engaged solely in the practice of real estate brokerage and use state-approved forms.** The practice of real estate brokerage is heavily regulated in Wisconsin and requires, among other things, real estate brokers to use forms approved by the Real Estate Examining Board. See Wis. Stat. s. 452.14(3)(m). Because most Offers to Purchase ("Offers") are contingent upon financing and most Offers utilize state-approved forms containing state-approved financing contingencies, AB 678 recognizes that real estate brokers performing only real estate brokerage services and using only state-approved forms should not be subject to the MLOL requirements. (See Section 25)

We respectfully request your support for AB 678. If you have any questions, please feel free to contact us at (608) 241-2047.



OFFICE OF THE COUNTY EXECUTIVE

# *Milwaukee County*

CHRIS ABELE • COUNTY EXECUTIVE

**TO:** Members, Assembly Committee on Financial Institutions  
**FROM:** Eric Peterson on behalf of Milwaukee County Executive Chris Abele  
**DATE:** Wednesday, January 29, 2014  
**RE:** **Milwaukee County Executive Abele Support for AB 678: Strengthening Our Mortgage Industry**

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Honorable Representatives --

On behalf of Milwaukee County Executive Chris Abele, I encourage your support of Assembly Bill 678 – Strengthening Our Mortgage Industry. This legislation includes a crucially important exemption from broker licensing for Milwaukee County's real estate division in efforts to sell and return to the tax base foreclosed properties. We have worked with and appreciated the cooperation of the Department of Financial Institutions in crafting this bipartisan legislation.

The federal SAFE Act has long exempted government entities from requirements to be licensed for mortgage broker services, however the state law enacted in 2009 did not provide the same exemption. As our county leadership discovered this we worked with the City of Milwaukee and other leaders to advocate for a change to federalize this portion of the statute. This is represented in the draft in section 30 of the bill.

An exemption from this regulation is important for the county to continue its mission of expanding the tax base and restoring foreclosed properties to home buyers. This year, the County Executive announced and pledged over \$800,000 to a new program to provide zero interest, 15 year, \$20,000 home loans to persons to purchase and rehabilitate foreclosure properties in Milwaukee County. This new program will leverage our dollars to return these homes to the tax base and remove this land from the exempt property list. Obviously, as Milwaukee County is now entering the mortgage world, the exemption in this bill is critical.

As Milwaukee County works to return property to the tax base and grow our local economy I ask you support for this legislation as one tool to help us along our way. This exemption will allow us to “turn on” this program much sooner and get these properties sold through this new program. I encourage your support.

Thank you.

# PACKERLAND Mortgage Professionals, Inc.



*"When Your Loan Absolutely Has To Close!"*

2371 Hillside Lane Green Bay, WI 54302

[www.packerlandmortgagepros.com](http://www.packerlandmortgagepros.com)

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## **Statement Concerning Assembly Bill 678**

We would like to open by thanking Chairman Craig, Assemblyman Weininger, and the rest of the Committee for what is now Assembly Bill 678, and for this opportunity to express our sentiments concerning the outcome of its journey through the Assembly, and hopefully the Senate. My name is Joseph Charles Sule, I have been a mortgage broker since 1998, and I am speaking on behalf of our company, Packerland Mortgage Professionals, Inc.

This Bill offers us a chance for a well needed reprieve from some of the financial challenges placed upon the surviving members of our industry since the mortgage collapse. This relief is especially relevant, because I can confidently say that to the man, we are none of the opportunists that had jumped into the industry during the bubble, and caused most of the problems that hurt so many, and that we, the survivors have been punished for ever since.

The bad mortgage brokers were all gone by either the end of 2008, when the crash left our company making a whole \$4,964 on the year, or by the initiation of the NMLS Registry in 2010, with all of the rigorous testing, fingerprinting and background checks and credit checks and new expense that were required to maintain a license.

My wife and I founded our small business, Packerland Mortgage Professionals, Inc., in January of 1999. We are a full service Mortgage Broker that has operated as a home-based business since its inception. The company has a dedicated, lockable office in our home at 2371 Hillside Lane, Green Bay, WI 54302.

We are inspected and certified by the Credit Reporting Industry every few years for security compliance, with our last inspection having been held just last January.

The company is wholly owned and operated by myself, Joseph Charles Sule, President and Loan Originator, and my wife, Debra Ann Sule, Vice President, Secretary and Loan Processor.

For all practical purposes, a Mortgage Broker is simply an independent loan officer, much like the independent insurance agent is to the insurance market. Yet, as small as our company is, we have singularly saved our clients tens of millions of dollars of mortgage interest by our skillful use of our insider knowledge of how to assemble the best deals out of the wholesale mortgage market place, at any one point in time.

That ability is why Mortgage Brokers are not a favorite of the large banks that we compete with. But we are very invaluable to the homeowners we serve.

Our company is and has always been dedicated to assisting its customers obtain low-cost home financing. As I mentioned, our strength is that as an independent originator, we can locate the

*We'll 'Run the Interference' that gets your Loan **"APPROVED!"***

superior financing options being offered by various lenders, and are always changing from day to day.

Our value to the homeowner comes precisely from two key points: We are not limited by the products that any one single lender is able to carry, and we are not limited by the inherent disincentive against finding the homeowner the lowest possible rate we can find, because we do not service the loan or benefit from the interest they pay the way that banks do.

Being able to avoid those restrictions was why I ventured off to start Packerland Mortgage Professionals, Inc. at the end of 1998: The lender that had recruited me in 1996 to be a regular Loan Officer, was bought by a larger bank in 1998, and I no longer had access to the loan products I had found to be the most desirable for my customers.

In spite of all the risks that the excursion initially brought with it, if I wanted to be able to continue putting my customers first, I had to go independent, and be the boss, lest I still had someone over me telling me to price loans higher so that they could also get paid.

As a result of our company's emphasis on always putting customer service ahead of sales, our business has grown to a fairly large network of happy, returning and referred homeowners.

Yet, even with the strength of our overall customer base, the purpose of our visit here today is to help this Committee understand how important the impact of the provisions being addressed in Assembly Bill 678 can be on either keeping us in business, or driving us out of business.

Consequently, we are very excited to see you working on the provisions of this bill. What you are likely to be only marginally aware of prior to this point, is that our small business, our family, and many other small Mortgage Brokers in Wisconsin have suffered financial hardship the last four years due to some costly requirements that came out of our State's effort to comply with the SAFE Act of 2008.

In fairness, Wisconsin's new requirements were enacted without the benefit of seeing how the other 49 States would meet the mandate. But now that we know, we can see that Wisconsin managed to come out with what are by far the most stringent Mortgage Broker licensing requirements in virtually every category in the Nation.

Only a dozen States require the Mortgage Broker to have a minimum net worth. With the exception of California, at \$100,000, ours is several times higher than the next highest in the States that have a requirement.

Few States require a Surety Bond. And no other State requires an annual audit.

The focus in this Bill that we are most interested in correcting here is removing the expensive audit requirement, and maintaining the right to keep our office in our home.

For perspective on how sorely overall relief is needed, I've included in my discussion the impact that the other licensing requirements that are unique to have had on our struggling small business.

For anyone who hasn't had the pleasure of paying for an Audit, the bill can range in cost from \$12,000 to \$3,000, depending upon what the CPA decides when they are done. And aside from satisfying a regulatory requirement, the expense provides no other benefit whatsoever to the company or the State.

Our largest struggle meeting the new requirements when they rolled out in 2010, after passing all of the tests and background checks, etc., was assembling a \$100,000 net worth in the company by the end of 2010, in order to remain in business after eleven years of faithfully serving the people of our State.

This was an especially distressing struggle because we had just come through several years of near starvation, as indicated by our only making \$5,000 in 2008, (and not much more in years 2007 and 2009).

We accomplished it by pushing every cent and titling every asset we had into the company's name to bring the worth to \$100,000, starting with less than \$300 in the Company Checking Account in July of that year.

At the same time we were desperately attempting to reach the \$100,000 net worth by the end of 2010, in December we had to pay out \$1,100 to finish registering in the NMLS, \$1,800 to purchase the new Surety Bond that had increased from \$10,000 to \$120,000, and \$1,950 to a CPA Firm to have our financial records "Reviewed" to meet the first round of Net Worth verification required by the State.

Since then, with careful shopping of area CPA Firms, the provision requiring Brokers to pay for an annual audit of the previous year's operations has cost us an additional \$12,000, for three audits to date.

Since the changes, we've also paid another \$1,100 each year for NMLS renewals for what had previously cost (just) \$1,000 every two years to renew our Wisconsin Mortgage Broker and Loan Originator licenses to run the firm.

For a small operation like ours, priding itself in providing low-cost financing to our clients, all of these costs are huge sums to pay for the same privilege that when compared to costs for running the same business in any other State, run many times higher in Wisconsin. The discrepancy lends itself to the conclusion that these costs are arbitrary, without any returned value to the quality of the business operation, and are in strong need of correction. Which is the reason that we are here, today.

The pain that the total burden has levied upon us thus far has led me to finding myself constantly wondering about who is so bent on punishing us? Or on driving us out of business?

Aside from the obvious question like, how this money could be so much better used going towards business operating needs like replacing our fourteen year old copy machine, or for newer computers, it could be paying for our nine year old son's Catholic School education, or funding his college savings plan.



Removal of the audit expense as proposed in Assembly Bill 678 is imperative. But not stopping at Reviewed Statements (they can still waste \$2,000 a year) but instead moving all the way to Certified Compiled Statements, which still involve a CPA, would go a long way toward keeping our services available to our clients and their families in the years to come.

A second detail in Assembly Bill 678 that is hopefully being successfully removed via an amendment, is a provision stating that branch offices, but not principal offices may be located in a residence, like ours.

A key part of our cost-saving for the consumer has been our reduced over-head from working out of our home.

Right now we are able to protect our customer's records by a combination of locked doors, locked files, password protected computers, an on-site paper shredder, and ADP Security Service for the home and office. Duplicating this level of security off site would be expensive.

If it is helpful, some solutions I would like to suggest for addressing the in-the-home office question include either grandfathering existing operations, or exempting single office operations from the requirement.

I am 55 years old, and the Mortgage Broker business has been all I have known for seventeen years. I cannot imagine what I could replace this livelihood with or who would hire a 55 year old man in this economy, if Wisconsin finishes taking it away from us?

We very much hope that this Committee will help us and others in the Mortgage Broker industry avoid the expense of the annual audit, and the even greater expense and anxiety that taking on the costs of acquiring an outside office space would add.

We haven't even asked for relief from the Net Worth or the amount of the Surety Bond. We think we can live with those. But we would love to continue our ma and pa effort to serve Wisconsin homeowners, and we desperately need your help with this bill in order to do so.

Thank you for your time and consideration of our needs with Assembly Bill 678. God Bless these proceedings.

Sincerely,

Joseph Charles Sule,  
President, NMLS ID 265499

Debra Ann Sule,  
Vice President, NMLS ID 241056

## Financial Statement & Net Worth Terminology

Term	Definition
<b>Audited Financial Statement</b>	A financial statement that has been audited and represents all components of a financial statement including balance sheet, cash flow statement and income statement
<b>Compiled</b>	An unaudited financial statement for which the financial data has been assembled by a CPA or equivalent but not reviewed for accuracy.  <b>May be referred to as <i>Unaudited (Compiled) or Unaudited-Compiled</i></b>
<b>Consolidated Financial Statement</b>	Audited financial statements of a group (parent and all its subsidiaries) presented as those of a single entity
<b>Consolidated Schedules</b>	Audited or unaudited financial statements for a subsidiary as included in the parent company's consolidated financial statement
<b>CIK Number (Central Index Key)</b>	A unique identifier assigned by the SEC to companies who file disclosure documents with the SEC. This number is reported on Company 10K filings as required for publicly traded companies.  Some jurisdictions alternatively refer to this number as the 10K Id number. However, the 10K Id number is a filing identifier for the 10K filing and is not used to uniquely identify a Company.
<b>Financial Statement</b>	The generic reference to a financial statement, either audited or unaudited. The financial statement may contain one or more component: balance sheet, cash-flow statement, statement of income, etc.
<b>Financial Statement Classification</b>	The type of financial statement required by a jurisdiction in regards to one of the following designations ( <b>shown in highest to lowest ranking stringency as they appear in the system</b> ): <ul style="list-style-type: none"> <li>• Audited</li> <li>• Unaudited (reviewed)</li> <li>• Unaudited (compiled)</li> <li>• Unaudited</li> </ul>
<b>Financial Statement Period End Date</b>	The period end date that corresponds to the Financial Statement Filing. This date should correspond to the classification of the financial statement and the Fiscal Year End of the Company
<b>Financial Statement Period Type</b>	Represents the period to which the Financial Statement Filing pertains relative to the Fiscal Year. E.g. annual, quarterly or year-to-date. The Period Type qualifies the Financial Statement Filing in conjunction with the Fiscal Year
<b>Fiscal Year</b>	Any 12-month period a company uses for accounting purposes
<b>Fiscal Year End</b>	The last day of a 12-month accounting period
<b>Key Financial Data</b>	Numeric values of Assets, Liabilities & Owners' Equity to be entered into the system by the company in conjunction with

NATIONWIDE MORTGAGE LICENSING SYSTEM

	submitting a Financial Statement filing that is classified as an Annual/Initial statement
<b>Net Worth (Owner's Equity)</b>	The amount by which assets exceed liabilities calculated according to Generally Accepted Accounting Principles (GAAP).
<b>Reviewed</b>	An unaudited financial statement for which the financial data has been reviewed for accuracy by a CPA or equivalent.  <b>May be referred to as <i>Unaudited (Reviewed)</i> or <i>Unaudited-Reviewed</i></b>
<b>Unaudited Financial Statement</b>	One or more components of a financial statement (balance sheet, cash flow statement, income statement) that has not been audited.
<b>Unaudited (Compiled) Financial Statement</b>	An unaudited financial statement for which the financial data has been assembled by a CPA or equivalent but not reviewed for accuracy.
<b>Unaudited (Reviewed) Financial Statement</b>	An unaudited financial statement for which the financial data has been reviewed for accuracy by a CPA or equivalent.



## Company Financial Statement & Net Worth Requirements by State Agency

- SUMMARY TABLE FOR GUIDANCE INFORMATION ONLY -

Financial Statement requirements below are not the same as the Financial Condition Component of the Mortgage Call Report

**New Applicants:** Please verify you have met all financial statement requirements as stated in the New Application Checklist available on the [State Licensing Page](#) of the NMLS Resource Center.

**Existing Licensees:** Verify you have met the annual requirements summarized on this table. You should also consult your state agency's website for detailed requirements. Click on the state agency abbreviation in this table to go to that website.

**Note:** This table does not address whether or not personal financial statements for MU2/MU4 licenses are required.

STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
<b>AK</b>	Mortgage Broker/Lender License	Unaudited (not compiled/reviewed)	Unaudited	None
<b>AL</b>	Consumer Credit License	Unaudited-Compiled	None	None
	Mortgage Brokers License	Unaudited-Compiled	None	None
<b>AZ</b>	Mortgage Banker License	Audited	Audited	\$100,000
	Mortgage Broker License	Unaudited	Unaudited	Positive
	Commercial Mortgage Banker License	Audited	Audited	\$100,000
	Commercial Mortgage Broker License	Unaudited	Unaudited	Positive
	Registered Exempt Person	None	None	None
<b>AR</b>	Mortgage Banker License	Audited	Audited	\$25,000
	Mortgage Broker License	Unaudited	None	\$25,000
	Mortgage Servicer License	Audited	Audited	\$25,000
	Combination Mortgage Banker-Broker Servicer License	Audited	Audited	\$25,000
<b>CA-DBO</b>	Exempt Company Registration	None	None	None
	Residential Mortgage Lending Act License	Audited	Audited	\$250,000
	Finance Lenders Law License	Unaudited	None	\$250,000



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
CA-BRE	Real Estate Broker License	None	None	None
	Real Estate Corporation License	None	None	None
CO	Mortgage Company Registration	None	None	None
CT	Mortgage Broker License	Unaudited (not complied/reviewed)	None	\$50,000
	Mortgage Correspondent Lender License	Unaudited	None	\$50,000
	Mortgage Lender License	Unaudited	None	\$250,000
	Exempt Registration	None	None	None
DC	Mortgage Lender License	Unaudited	Unaudited	\$200,000
	Mortgage Broker License	Unaudited	Unaudited	\$25,000
	Mortgage Dual Authority License	Unaudited	Unaudited	\$225,000
FL	Mortgage Broker License	None	None	None
	Mortgage Lender License	Audited	Audited	\$63,000
	Mortgage Lender Servicer License	Audited	Audited	\$250,000
GA	Mortgage Broker/Processor Registration	Unaudited	None	None
	Mortgage Broker/Processor License	Unaudited	None	None
	Mortgage Lender Registration	Unaudited	None	None
	Mortgage Lender License	Unaudited	None	None
HI	Mortgage Loan Originator Company License	None	None	None
	Exempt Sponsoring Mortgage Loan Originator Company	None	None	None
	Non-Profit Registration	None	None	None
	Mortgage Servicer Loan Modification License	None	None	None
	Mortgage Servicer License	None	None	None
ID	Mortgage Broker/Lender License	Unaudited if certified	Unaudited (not complied/reviewed)	None
	Regulated Lender Registration	None	None	None
	Exempt Entity Registration	None	None	None



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
ID (Continued)	Money Transmitter License	Audited	Audited	\$50,000
	Regulated Lender License	None	None	None
	Collection Agency License	None	None	None
	Payday Lender License	None	None	None
IN-DFI	First Lien Mortgage Lending License	Audited or Unaudited-Reviewed	Unaudited (reviewed)	\$100,000
	Subordinate Lien Mortgage Lending License	Audited or Unaudited-Reviewed	Unaudited (reviewed)	\$100,000
	Exempt Company Registration	None	None	None
	Money Transmitter License	Audited	Audited	\$600,000
IN-SOS	Loan Broker License	None	None	None
	Collection Agency License	None	None	None
IL	Exempt Company Registration	None	None	None
	Residential Mortgage License (funding, servicing, purchasing, brokers without Illinois office)	Audited	Audited	\$150,000
	Residential Mortgage License (brokering or processing, with Illinois office)	Audited	Compiled	\$50,000
IA	Mortgage Banker License	Audited or Unaudited if certified	Audited	Positive
	Mortgage Banker Registrant	None	None	Positive
	Mortgage Broker License	Audited or Unaudited if certified	Unaudited (not complied/reviewed)	Positive
	Non-Profit Mortgage Banker License	None	None	None
	Exempt Company Registration	None	None	None
	Master Loan Company Registration	Unaudited	None	None
	Closing Agent License	Unaudited (not complied/reviewed)	Unaudited	None
	Debt Management License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Delayed Deposit Services Business Registration	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Money Services License	Audited or Unaudited if certified	Audited	\$100,000



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
KS	Mortgage Company License	Unaudited –Reviewed	None	None
	Supervised Loan License	Unaudited – Reviewed	None	None
	Money Transmitter License	Audited	None	\$250,000
KY	Mortgage Broker License	Unaudited-Compiled	Unaudited	None
	Mortgage Company License	Audited or Unaudited	None	None
	Exempt Company Registration	None	None	None
	Money Transmitter License	Audited	None	\$500,000
LA	Residential Mortgage Lending License	None	None	None
	Licensed Lender	None	None	None
	Pawnbroker Main Office	None	None	None
	Sale of Checks and Money Transmitters	Unaudited-Compiled	Unaudited-Compiled	\$100,000
	Insurance Premium Finance License	None	None	None
MA	Mortgage Broker License	Audited or Unaudited-Reviewed	Audited or Unaudited-Reviewed	\$25,000
	Mortgage Lender License	Audited	Audited	\$200,000
	Third Party Loan Servicer Registration	None	None	None
	Exempt Company Registration	None	None	None
	Debt Collector	Audited or Unaudited-Reviewed	Unaudited-Reviewed	Positive
	Small Loan Company	Audited or Unaudited-Reviewed	Unaudited-Reviewed	\$75,000
	Motor Vehicle Sales Finance Company	Audited or Unaudited-Reviewed	Unaudited-Reviewed	\$20,000
	Retail Installment Sales Finance Company	Audited or Unaudited-Reviewed	Unaudited-Reviewed	None
	Insurance Premium Finance Company	Audited or Unaudited-Reviewed	Unaudited-Reviewed	None
	Check Casher	Audited or Unaudited-Reviewed	Unaudited-Reviewed	\$25,000
	Check Seller	Audited or Unaudited-Reviewed	Unaudited-Compiled	None
	Foreign Transmittal Agency License	Audited or Unaudited-Reviewed	Unaudited-Compiled	None
MD	Mortgage Lender License	Unaudited-Compiled	Unaudited-Compiled	\$25,000
	Exempt Company Registration	None	None	None
	Money Transmitter License	Audited	Audited	\$150,000



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
ME	Supervised Lender License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Non – Profit Lender License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Loan Broker License	None	None	None
	Exempt Company Registration	None	None	None
MI	Exempt Mortgage Company Registration	None	None	None
	1st Mortgage Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$15,000
	1st Mortgage Broker/Lender License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$25,000
	1st Mortgage Broker/Lender/Service License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$100,000
	1st Mortgage Broker Registrant	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	1st Mortgage Broker/Lender Registrant	Unaudited	Unaudited	None
	1st Mortgage Broker/Lender/Service Registrant	Unaudited	Unaudited	None
	2nd Mortgage Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$15,000
	2nd Mortgage Broker/Lender License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$25,000
	2nd Mortgage Broker/Lender/Service License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$100,000
	2nd Mortgage Broker Registrant	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	2nd Mortgage Broker/Lender Registrant	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	2nd Mortgage Broker/Lender/Service Registrant	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Consumer Financial Services Class I License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$100,000
	Consumer Financial Services Class II License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$50,000
	Money Transmitter License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$100,000





STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
MN	Residential Mortgage Servicer License	None	None	None
	Residential Mortgage Servicer Exemption	None	None	None
	Residential Mortgage Originator License	None	None	None
	Residential Mortgage Originator Exemption	None	None	None
	Money Transmitter License	Audited	Audited	Amount of net worth determined by number of locations or authorized delegates. Amount is between \$25K and \$500K.
MS	Mortgage Broker License	None	None	None
	Mortgage Lender License	None	None	None
MT	Exempt Company Registration	None	None	None
	Mortgage Lender License	None	None	None
	Mortgage Broker License	None	None	None
	Mortgage Servicer License	None	None	None
ND	Money Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Exempt Company Registration	None	None	None
	Collection Agency License	Unaudited	Unaudited	\$25,000
	Debt Settlement Service Provider License	Unaudited	Unaudited	None
	Deferred Presentment Service Provider License	Unaudited	Unaudited	\$25,000
	Money Transmitter	Audited	Audited	\$100,000
NE	Mortgage Banker Registration	None	None	None
	Mortgage Banker License	None	None	None
	Installment Loan Company License	None	None	None
	Installment Sales Company License	Audited	Audited	100,000
	Installment Sales Company Registration	Audited	Audited	100,000



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
NH	Mortgage Banker License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Mortgage Broker License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Mortgage Servicer Registration	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Exempt Company Registration	None	None	None
	Motor Vehicle Sales Finance Company License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Motor Vehicle Retail Sales Finance Company License	Audited or Unaudited if certified	None	Positive
	Debt Adjuster License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
	Small Loan Lender License	Audited or Unaudited if certified	Audited or Unaudited if certified	Positive
NM	Mortgage Loan Company	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
NJ	Residential Mortgage Lender License	Audited	None	\$250,000
	Correspondent Residential Mortgage Lender License	Audited	None	\$150,000
	Residential Mortgage Broker License	Audited	None	\$50,000
NV	Mortgage Broker License	Audited or Unaudited	Audited or Unaudited (compiled)	Positive
	Mortgage Banker License	Audited or Unaudited	Audited or Unaudited (compiled)	Positive
	Exempt Company Registration	None	None	None



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
NY	Mortgage Banker License	Audited	Audited	\$250,000
	Mortgage Broker Registration	None	None	None
	Mortgage Loan Servicer Registration	Audited	Unaudited (not complied/reviewed)	\$250,000
	Exempt Mortgage Loan Servicer License	None	None	None
	Exempt Mortgage Banker License	None	None	None
	Exempt Mortgage Broker Registration	None	None	None
NC	Mortgage Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$25,000
	Mortgage Lender License	Audited	Audited	\$100,000
	Mortgage Servicer License	Audited	Audited	\$100,000
	Exempt Company Registration	None	None	None
OH	Mortgage Loan Act Certificate of Registration	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$50,000
	Mortgage Broker Act Certificate of Registration	None	None	None
	Mortgage Broker Act Mortgage Banker Exemption	None	None	None
	Mortgage Broker Act Credit Union Service Organization Exemption	None	None	None
	Mortgage Loan Act Credit Union Service Organization Exemption	None	None	None
OK-DOCC	Mortgage Broker License	Unaudited (not complied/reviewed)	None	None
	Exempt Company Registration	Unaudited (not complied/reviewed)	None	None
	Deferred Deposit Lenders	Unaudited	None	\$25,000
	Mortgage Lender License	Audited	Audited	\$25,000
<del>OK-DOB</del>	Money Transmission License	Audited	Audited	See footnote <sup>1</sup>

<sup>1</sup> OK-DOB Net Worth Requirement: \$275,000 in order to engage in money transmission at 1-50 locations. \$500,000 in order to engage in money transmission at 51-300 locations. \$1,500,000 in order to engage in money transmission at 301-800 locations. \$3,000,000 in order to engage in money transmission at over 800 locations.



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
OR	Mortgage Lending License	Unaudited (not complied/reviewed)	Unaudited	None
	Exempt Company Registration	Unaudited (not complied/reviewed)	None	None
PA	Mortgage Loan Correspondent License	Audited or Unaudited if certified	Audited or Unaudited if certified	\$100,000
	Mortgage Consumer Discount Company License	Audited or Unaudited if certified	Audited or Unaudited if certified	\$250,000
	Mortgage Lender License	Audited or Unaudited if certified	Audited or Unaudited if certified	\$250,000
	Partially Exempt Mortgage Company Registration	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Mortgage Broker License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Money Transmitter	Audited or Unaudited if certified	Audited or Unaudited if certified	\$500,000
	Debt Management Services	Audited	Audited	None
	Accelerated Mortgage Payment Provider	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Check Cashers License	None	None	None
	Retail Grocery Store Check Casher License	None	None	None
	Pawnbroker License	None	None	None
PR Puerto Rico	Mortgage Lender/Servicer	Unaudited-Reviewed	Audited	\$275,000
	Mortgage Broker	Unaudited-Compiled	Audited	\$10,000
	Exempt Non-Profit Company Registration	None	None	None
RI	Lender License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$100,000
	Loan Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$10,000
	Exempt Company Registration	None	None	None
	Debt Collector Registration	None	None	Positive
	Debt Management Services Registration	Audited	Unaudited (not complied/reviewed)	Positive



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
RI (Continued)	Check Cashers License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	Positive, must have liquid assets of \$10,000
	Small Loan Lender	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$25,000
	Electronic Money Transfers	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	Positive
	Sales of Checks	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$50,000
SC-BFI	Mortgage Lender/Service License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	Bond Required
SC-DCA	Mortgage Broker License	Unaudited (not complied/reviewed)	None	None
SD	Mortgage Lender	Audited or Unaudited if certified	Audited or Unaudited – if certified	None
	Mortgage Brokerage License	Audited or Unaudited if certified	Audited or Unaudited – if certified	None
	Exempt Company Registration	None	None	None
TN	Mortgage License	Unaudited-Compiled	Unaudited-Compiled	\$25,000
	Exempt Company Registration	None	None	None
	Deferred Presentment License	Unaudited-Compiled	Unaudited (not complied/reviewed)	\$25,000 per location/branch
	Money Transmitter License	Audited	Audited	\$100,000
TX-SML	Credit Union Subsidiary Organization License	None	None	None
	Auxiliary Mortgage Loan Activity Company License	None	None	None
	Mortgage Banker Registration	None	None	None
	Financial Services Company Registration	None	None	None
	Independent Contractor Processor / Underwriter Company License	None	None	None



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
TX-SML (Continued)	Mortgage Company License	None	None	None
	Residential Mortgage Loan Services	None	None	None
UT-DFI	Deferred Deposit Lender Registration	None	None	None
UT-DRE	Mortgage Entity License	None	None	None
VA	Lender License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Exempt Company Registration	None	None	None
VI Virgin Islands	Mortgage Broker License	Audited	Audited	\$25,000
	Mortgage Lender License	Audited	Audited	\$500,000
VT	Mortgage Broker License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Lender License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Mortgage Broker Sole Proprietor License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Commercial Lender License	None	None	None
	Loan Servicer License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Sales Finance License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Money Transmitter	Audited or Unaudited if certified	Audited or Unaudited if certified	\$100,000
	Checking Cashing and Currency Exchange	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Debt Adjuster	Audited or Unaudited if certified	Audited or Unaudited if certified	None



STATE AGENCY	LICENSE TYPE	NEW APPLICANTS	ANNUAL	NET WORTH
WA	Currency Exchange	Audited	Audited	None
	Exempt Mortgage Broker Registration	Unaudited (not complied/reviewed)	None	None
	Consumer Loan Company License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Mortgage Broker License	None	None	None
	Exempt Consumer Loan Registration	None	None	None
	Money Transmitter	Audited	Audited	Minimum \$10,000, Maximum \$3,000,000
	Check Casher	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
	Check Casher with Small Loan Endorsement	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	None
WI	Mortgage Banker License	Unaudited (reviewed)	Audited	\$250,000
	Mortgage Broker License	Unaudited (reviewed)	Audited	\$100,000
	Seller of Checks	Audited or Unaudited	None	\$100,000
WV	Exempt Company Registration	None	None	None
	Mortgage Lender License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$250,000
	Mortgage Broker License	Unaudited (not complied/reviewed)	Unaudited (not complied/reviewed)	\$10,000
WY	Mortgage Broker License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Mortgage Lender/Broker License	Audited or Unaudited if certified	Audited or Unaudited if certified	None
	Exempt Company Registration	None	None	None
	Money Transmitter License	Audited or Unaudited if certified	Audited or Unaudited if certified	\$25,000

**\*\*Please continue to consult state specific requirements for more detailed information – this table is meant for summary purposes only\*\***

# **PACKERLAND Mortgage Professionals, Inc.**

2371 Hillside Lane, Green Bay, WI 54302  
NMLS ID 266071 PH 920-465-9000 FAX 920-465-9090

## **Mission Statement**

**Packerland Mortgage Professionals, Inc. is dedicated to helping our customers achieve the dream of home ownership through personalized financing assistance. We are further committed to educating and encouraging our customers to borrow responsibly and pursue a debt-free future.**

## **Company Philosophies**

- 1. We will work hard to obtain mortgage financing for everyone who seeks our service.**
- 2. We will work hard to locate the lowest cost financing, and only choose financing that is in the best interests of our customers.**
- 3. We will not charge our customers unless we deliver accepted financing.**
- 4. We will charge competitive fees in keeping with our mission to assist our customers to reduce their borrowing.**
- 5. We will educate all our customers while providing service that makes them lifelong friends.**