

MORTGAGE BROKERS, LENDERS, AND SERVICERS LICENSING ACT (EXCERPT)
Act 173 of 1987

445.1675a Exemptions; filing affidavit; failure to meet qualifications.

Sec. 25a. (1) Except for the requirements of section 23, the commissioner may exempt from the requirements of this act a person the commissioner believes merits the confidence of the community and demonstrates all of the following:

- (a) Is exempt from federal income taxes under section 501(c) of the internal revenue code of 1986.
 - (b) Administers a mortgage loan program funded or sponsored by 1 or more depository financial institutions, state or federal governmental entities, or charitable, religious, or other nonprofit organizations.
 - (c) Its mortgage loan program is targeted exclusively to persons that would not otherwise have access to affordable mortgage loans from traditional mortgage lending sources.
 - (d) Its housing development efforts have the support of the agency of its local governmental jurisdiction responsible for community development.
 - (e) Its mortgage lending activity is limited to a defined geographic area in this state, not larger than a county in the case of a metropolitan statistical area.
 - (f) Has the capacity to accomplish its business plan.
 - (g) Does not directly or indirectly share with another person any portion of fees paid to the organization in connection with a mortgage loan.
 - (h) That it will comply with state and federal law and with the spirit and intent of section 22a.
 - (i) Does not service mortgage loans.
- (2) Notwithstanding subsection (1)(i), the commissioner may issue an exemption to a person that services mortgage loans if the person has complied with subsection (1)(a) through (h) and the commissioner determines the exemption is in the public interest.
- (3) Not later than February 1 of every second year following the commissioner's determination that an organization meets the qualifications under subsection (1) or (2), the organization shall file an affidavit that it continues to meet the qualifications.
- (4) An organization that has been determined to meet the qualifications of subsection (1) or (2) and subsequently fails to meet 1 or more of those qualifications shall within 90 days register or file an application for license under section 3(1) or discontinue activities that would require registration or licensure under this act.

History: Add. 1998, Act 371, Imd. Eff. Oct. 20, 1998.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.