

THE SECONDARY MORTGAGE LOAN ACT (EXCERPT)
Act 125 of 1981

493.67 Maintaining records relating to conduct of business; availability; statement of borrower's account; ledger history; obligation of servicer; fee prohibited.

Sec. 17.

(1) A licensee or registrant shall maintain books, accounts, records, and documents of the business, as prescribed by the commissioner to enable the commissioner to determine whether the business of the licensee or registrant is conducted as required by this act and the rules promulgated under this act.

(2) The preservation of records by reproduction under the records media act, 1992 PA 116, MCL 24.401 to 24.403, constitutes compliance with this section.

(3) If the books, accounts, records, and documents are not made available in this state, the licensee or registrant shall pay the reasonable travel, lodging, and meal expenses of the examiner as provided in section 6a(6)(d).

(4) If a licensee or registrant that is a servicer, in connection with a secondary mortgage loan, requires a mortgage escrow account, the licensee or registrant shall deliver to the borrower annually a statement of the borrower's account showing the unpaid principal balance of the secondary mortgage loan at the end of the immediately preceding 12-month period, the interest paid during the period, and the amount deposited into escrow and disbursed from escrow during the period.

(5) Within 25 days after receipt of a written request from the borrower, a servicer shall deliver to the borrower a ledger history of the borrower's account showing the date and amount of all payments made or credited to the account for the immediately preceding 12-month period, and the total unpaid balance.

(6) A servicer is not obligated to furnish to the borrower more than 1 annual statement and 1 ledger history upon written request of the borrower in a 12-month period.

(7) A fee shall not be charged the borrower under subsection (4) for the annual statement or for 1 ledger history furnished to the borrower in a 12-month period.

History: 1981, Act 125, Imd. Eff. July 23, 1981 ;-- Am. 1997, Act 91, Imd. Eff. Aug. 1, 1997

Compiler's Notes: 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.

Popular Name: Secondary Mortgage Loan Act