



C. DEAN BRATTON
COMMISSIONER

The State of South Carolina

Board of Financial Institutions

Consumer Finance Division
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July 27, 2010

To: Mortgage Lender / Servicer Applicants
Mortgage Loan Originators

From: SC Board of Financial Institutions / Consumer Finance Division
C. Dean Bratton, Commissioner *CDB/a*

Re: Extension of Processing Deadlines / Operational Ability

The South Carolina Board of Financial Institutions / Consumer Finance Division (BFI) is extending the processing deadline until October 1, 2010. This will coincide with the extension issued previously for completion of the state portion of the S.A.F.E Act testing requirements. This will allow mortgage lenders / servicers and their loan originators that have filed applications and paid appropriate fees by July 31, 2010 ability to operate until the extended date.

The South Carolina Legislature passed The Mortgage Lending Act (Act 67) in 2009. This act is codified in Title 37 Chapter 22 of The South Carolina Code of Laws viewed at www.sc.gov under code of laws icon. This law required licensing of mortgage lenders / servicers and their loan originators as well as compliance with the federal S.A.F.E. Act. This industry had been exempt from licensing requirements in South Carolina prior to this legislation.

BFI is aware this has been a daunting task for industry as well; however we are grateful for industry cooperation, support from NMLS, their staff and guidance from HUD. Our processing is systematically handled in tiers. Applications received prior to April 30, 2010 are in tier one and applications received from April 30, 2010 to July 31, 2010 are in tier two. Many of these applications are incomplete and are prioritized as mentioned. Applications that are received after July 31, 2010 are not covered by the extension and will be reviewed on a first come first serve basis.

Ability to operate beyond the October 1, 2010 deadline for the above mentioned tiers will require a license status of "approved", "approved conditional" or "approved deficient" displayed in NMLS. In order for lenders / servicers and originators filing after July 31, 2010 to operate, the above status must be displayed in NMLS.

BFI respectfully requests that calls to our department be limited to requirement or deficiency related responses as requested in NMLS.

Hopefully this will clarify many issues and questions.