



State of New Jersey

DEPARTMENT OF BANKING AND INSURANCE

OFFICE OF THE COMMISSIONER

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TRENTON, NJ 08625-0325

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PHIL MURPHY
Governor

SHEILA OLIVER
Lt. Governor

MARLENE CARIDE
Commissioner

BULLETIN NO. 21-05

TO: ALL NEW JERSEY STATE CHARTERED BANKS, SAVINGS BANKS, SAVINGS AND LOAN ASSOCIATIONS, CREDIT UNIONS, NEW JERSEY LICENSED RESIDENTIAL MORTGAGE LENDERS, LICENSED CORRESPONDENT RESIDENTIAL MORTGAGE LENDERS, LICENSED RESIDENTIAL MORTGAGE BROKERS, LICENSED MORTGAGE SERVICERS, AND OTHER INTERESTED PARTIES

FROM: MARLENE CARIDE, COMMISSIONER

RE: ANNUAL REPORTING REQUIREMENTS FOR LICENSEES AND REGISTRANTS UNDER THE MORTGAGE SERVICERS LICENSING ACT, N.J.S.A. 17:16F-27 TO -46 AND BULLETIN NO. 19-13

On April 29, 2019, the [Mortgage Servicers Licensing Act, N.J.S.A. 17:16F-27 to -46](#), (“Act”) was enacted and became effective on July 28, 2019. The Act requires non-bank finance companies that are in the business of servicing residential mortgage loans secured by real property in this State and which are not already licensed as residential mortgage lenders or otherwise exempt from licensing under the Act, to become licensed as mortgage servicers. On December 23, 2019, the Department of Banking and Insurance (“Department”) issued Bulletin No. 19-13, which provided guidance regarding the requirements for obtaining a New Jersey Mortgage Servicer License (“Mortgage Servicer License”) under the Act and advised of the creation of a registration process for entities licensed as Residential Mortgage Lenders or Correspondent Residential Mortgage Lenders pursuant to the New Jersey Residential Mortgage Lending Act, N.J.S.A. 17:11C-51 to -89, (“RMLA”).¹ In Bulletin No. 19-13, the Department announced that applications for a Mortgage Servicer License or registration for the RMLA-Licensed Mortgage Servicer would commence on January 13, 2020 through the Nationwide Multistate Licensing System (“NMLS”).

The Department is issuing this current Bulletin to provide guidance to entities licensed as a Mortgage Servicer or registered as a RMLA-Licensed Mortgage Servicer under the Act (collectively, “mortgage servicers”) about the process and requirements for filing the Mortgage Servicer Annual Report, and mortgage call reports with the Department for all residential

¹ Residential Mortgage Lenders and Correspondent Residential Mortgage Lenders that conduct mortgage servicer business are referred to as “RMLA-Licensed Mortgage Servicers.”

mortgage loan² servicing business conducted in the State of New Jersey. In addition, this Bulletin advises Mortgage Servicer Licensees regarding the required audited financial statements.

Annual Reporting Requirements:

Pursuant to the Act, a mortgage servicer, which includes entities holding either a Mortgage Servicer License or the RMLA-Licensed Mortgage Servicers Registration, must file annually with the Department the information contained in the attached Mortgage Servicer Annual Report.³ See N.J.S.A. 17:16F-31. The Mortgage Servicer Annual Report includes:

- the number of residential mortgage loans the mortgage servicer serviced;
- the type and characteristics of the residential mortgage loans the mortgage servicer serviced;
- the number of serviced residential mortgage loans in default, along with a breakdown of 30, 60, and 90 days of delinquency; and
- the number of foreclosures commenced.

N.J.S.A. 17:16F-31(b), (c), and (e).⁴ The data submitted in response to the above requirements in the Mortgage Servicer Annual Report must reflect only residential mortgage loan servicing conducted in the State of New Jersey during the year being reported.

² Entities are reminded that the Act defines residential mortgage loan to mean “a loan made to a natural person or persons to whom credit is offered or extended primarily for personal, family or household purposes which is secured by a mortgage constituting a lien upon real property located in this State on which there is erected or to be erected a structure containing one, two, three, four, five, or six dwelling units, a portion of which structure may be used for nonresidential purposes, in the making of which the mortgagee relies primarily upon the value of the mortgaged property.” N.J.S.A. 17:16F-28 (emphasis added).

³ Entities that are exempt from the licensing or registration requirements under the Act and/or Bulletin No. 19-13 are not required to file the Mortgage Servicer Annual Report with the Department. Exempt entities include: (1) any bank, out-of-state bank, credit union chartered in New Jersey, federal credit union, or out-of-state credit union, provided that the bank or credit union is federally insured. N.J.S.A. 17:16F-29(b)(1); (2) any wholly-owned subsidiary of that bank or credit union. N.J.S.A. 17:16F-29(b)(2); (3) any operating subsidiary in situations in which each owner of the operating subsidiary is wholly-owned by the same bank or credit union. N.J.S.A. 17:16F-29(b)(3); (4) the New Jersey Housing and Mortgage Finance Agency. N.J.S.A. 17:16F-29(b)(5); (5) any individual or entity that is exempt from licensure as a residential mortgage lender pursuant to N.J.S.A. 17:11C-55 of the RMLA, while servicing mortgage loans made pursuant to the exemption. N.J.S.A. 17:16F-45(1); and (6) any individual or entity servicing five or fewer residential mortgage loans within any period of 12 consecutive months. N.J.S.A. 17:16F-45(3).

⁴ N.J.S.A. 17:16F-31(a) and (d) requires a mortgage servicer to submit a current schedule of the ranges of costs and fees it charges mortgagors for its servicing-related activities and a description of the mortgage servicer’s loss mitigation activities, including details on workout arrangements undertaken. However, that information will not be included in the Mortgage Servicer Annual Report filing, but will be required to be uploaded to the NMLS in association with the mortgage

Consistent with the annual reporting requirements set forth in N.J.A.C. 3:1-7.6 for other Department licensees under the Division of Banking, mortgage servicers are required to submit the Mortgage Servicer Annual Report on a timely basis. For the 2020 Mortgage Servicer Annual Report, mortgage servicers will be required to submit to the Department a hard copy of the attached Mortgage Servicer Annual Report by April 1, 2021 by mail, email, or fax, as set forth below:

New Jersey Department of Banking and Insurance
Office of Consumer Finance
Annual Reports
20 West State Street, 8th Floor
Trenton, New Jersey 08625
Email: MSLAAnnualReport@dobi.nj.gov
Fax: (609) 292-6765

The 2020 Mortgage Servicer Annual Report will be considered late and will be subject to a penalty if received after April 1, 2021.

Beginning in 2022, and continuing thereafter, the Mortgage Servicer Annual Report will be due electronically by April 1st of the year following the calendar year covered by the annual report and will be filed through the Office of Consumer Finance Annual Report portal.

Mortgage Call Reports:

In addition to the above requirements for filing the Mortgage Servicers Annual Report, mortgage servicers are also required to submit mortgage call reports to the Department through the NMLS on a quarterly basis.

Audited Financial Statements for Mortgage Servicer Licensees Only:

Pursuant to the Act, Mortgage Servicer Licensees must meet the minimum standards to demonstrate financial responsibility. See N.J.S.A. 17:16F-30(c)(1)(a). Accordingly, a Mortgage Servicer Licensee must additionally upload an unqualified, audited financial statement through the NMLS within 90 days of the licensee's fiscal year end.⁵

servicer's annual NMLS attestation between November and December of every year. This annual attestation is discussed in Bulletin No. 19-13.

⁵ This requirement under the Act was only placed on Mortgage Servicer Licensees. Therefore, RMLA-Licensed Mortgage Servicers are not required to submit audited financial statements under this Act.

Should you have any questions regarding the content of this Bulletin, please contact the Office of Consumer Finance at MSLAAAnnualReport@dobi.nj.gov.



3-3-2021

Date

Marlene Caride
Commissioner

AV MSLA Annual Reports Bulletin/Bulletins

**State of New Jersey
Department of Banking & Insurance**



**Annual Report Worksheet for
Mortgage Servicer Licensees
and RMLA-Licensed Mortgage
Servicer Registrants**

Year Ending December 31, 2020

New Jersey Department of Banking & Insurance
Division of Banking
Attn: Sharon Davis -- 5th floor
20 West State Street
Trenton, NJ 08625-0040

For Use as a Worksheet Only -- Do Not Send to the Department!

Licensee Demographics

The online application will populate the associated fields with the data currently found in the Nationwide Mortgage Licensing System (NMLS). *All information requested below is required by the online application (unless indicated otherwise.)*

(This is the identification number found in the upper right-hand corner of your licensing certificate.)

NMLS Entity ID Number: _____

Licensee Name: _____

Business Address: _____

Telephone Number: _____

FAX Number: _____

Business E-mail: _____

All licensees **must** include their official business e-mail address in their annual report according to N.J.A.C. 3:23-4.1. Failure to supply your official business e-mail address will result in a failure to comply with the annual report filing requirement.

Note: All licensees who were actively licensed in New Jersey for any period of time from January 1, 2020, through December 31, 2020, are required to file an annual report. You are required to file an annual report even if you did no business in 2020. Audited financial statements are not required to complete your annual report.

If you were actively licensed on December 31, 2020, your annual report must reflect the total activity of your New Jersey business as of the end of 2020.

If you surrendered your license during 2020, your annual report must reflect the total activity of your New Jersey business as of the date of surrender.

Your annual report should only reflect the financial total of closed loans with New Jersey consumers.

If you actively held two or more New Jersey licenses during 2020, you must file a separate annual report for each type of license.

For Use as a Worksheet Only – Do Not Send to the Department!

Creditor Detail Information

as of 12/31/2020 or Close of Business
 (make additional copies, if needed)

Please enter the requested information for all borrowings as of December 31, 2020.

Name of Creditor:						
Address of Creditor:						
	City:		State:		ZIP:	
Total Dollar Amount Available:			Total Dollar Amount Borrowed:			
Name of Creditor:						
Address of Creditor:						
	City:		State:		ZIP:	
Total Dollar Amount Available:			Total Dollar Amount Borrowed:			
Name of Creditor:						
Address of Creditor:						
	City:		State:		ZIP:	
Total Dollar Amount Available:			Total Dollar Amount Borrowed:			
Name of Creditor:						
Address of Creditor:						
	City:		State:		ZIP:	
Total Dollar Amount Available:			Total Dollar Amount Borrowed:			
Name of Creditor:						
Address of Creditor:						
	City:		State:		ZIP:	
Total Dollar Amount Available:			Total Dollar Amount Borrowed:			

For Use as a Worksheet Only – Do Not Send to the Department!

Servicing Activity Section

PLEASE NOTE: Residential Mortgage Loans are loans made to a natural person or persons to whom credit is offered or extended primarily for personal, family or household purposes which is secured by a mortgage constituting a lien upon real property located in this State on which there is erected or to be erected a structure containing **one, two, three, four, five, or six dwelling unit**.

New Jersey Mortgage Servicing Activity Summary *as of 12/31/2020 or Close of Business*

The online application will ask you to provide the following information concerning your mortgage servicing activities from January 1, 2020, through December 31, 2020, *for New Jersey consumers only*.

Type of Servicing <i>(Mobile Home and Manufactured Home activity must be included below)</i>	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Wholly Owned Loans Serviced		
Loans Serviced Under MSRs		
Subservicing for Others		
Subservicing by Others		
Total <u>New Jersey</u> Mortgage Servicing Activity during 2020 <i>(Add all lines above)</i>		

Note: The Total Dollar Amount of New Jersey Mortgage Loans Serviced during 2020 constitutes your **Total Mortgage Servicing Volume**, which will be used in the calculation of your surety bond requirement and your total annual assessment.

Mortgage Servicing Transfer Activity

Servicing Transfers	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Please enter the total number of New Jersey loan servicing, which was transferred out, during the calendar year 2020. Only enter the number of New Jersey applications.		
Please enter the total activity in New Jersey loan servicing transferred out during the calendar year 2020. Enter only the number of New Jersey applications, and the dollar value of those applications.		

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Servicing Activity Section

**New Jersey Mortgage Loan Modification Activity Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage loan modification activities from January 1, 2020, through December 31, 2020, *for New Jersey consumers only.*

	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Loan Modification Applications in process at beginning of period		
Loan Modifications completed (Not part of Home Affordable Modification Program)		
Mortgage Loans Modified Under Home Affordable Modification Program		
Loan Modification applications terminated by borrower		
Loan Modification applications denied by lender/servicer		
Loan Modification applications terminated by other		
Loan Modification applications received during period		
Loan Modification applications in process at end of period		

**New Jersey Mortgage Loan Servicing
Modification Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage loan modification activities from January 1, 2020, through December 31, 2020, *for New Jersey consumers only.*

Type of Loan <i>(include loans <u>funded</u> and loans <u>brokered</u>)</i> <i>(Mobile Home and Manufactured Home activity must be included below)</i>	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Loans to be modified at beginning of period		
Loan Modifications completed		
Loan modification attempts terminated for whatever reason		
New loans received for modification		
Loans to be modified at the end of period.		

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Servicing Activity Section

**New Jersey Mortgage Loan Delinquency Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage loan delinquencies for all loans as of December 31, 2020, *for New Jersey consumers only.*

Days Delinquent	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Less than 30 Days Delinquent		
30 to 60 Days Delinquent		
61 to 90 Days Delinquent		
More than 90 Days Delinquent		

**New Jersey Mortgage Loan Delinquency:
 Loans Modified within One (1) Year Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage loan delinquencies for loans modified within one year of December 31, 2020, *for New Jersey consumers only.*

Days Delinquent	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Less than 30 Days Delinquent		
30 to 60 Days Delinquent		
61 to 90 Days Delinquent		
More than 90 Days Delinquent		

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Servicing Activity Section

New Jersey Mortgage Loan Delinquency: Loans Modified after at least One (1) Year Summary *as of 12/31/2020 or Close of Business*

The online application will ask you to provide the following information concerning your mortgage loan delinquencies for loans modified over one year before December 31, 2020, *for New Jersey consumers only.*

Days Delinquent	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Less than 30 Days Delinquent		
30 to 60 Days Delinquent		
61 to 90 Days Delinquent		
More than 90 Days Delinquent		

New Jersey Mortgage Foreclosure Summary *as of 12/31/2020 or Close of Business*

The online application will ask you to provide the following information concerning your mortgage foreclosure activity from January 1, 2020, to December 31, 2020, *for New Jersey consumers only.*

Days Delinquent	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
In foreclosure status as of last year		
Moved into foreclosure status in period		
Foreclosure resolved other than by sheriff sale in period		
Foreclosure resulting in sheriff sale in period		
In foreclosure status as of end date		
Real estate owned as of end date		
Loans paid through short sale		

For Use as a Worksheet Only – Do Not Send to the Department!

Servicing Activity Section

**New Jersey Mortgage Loan Servicing Activity Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage servicing activities by loan type from January 1, 2020, through December 31, 2020, *for New Jersey consumers only.*

Loan Type on Loans Serviced	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
<i>Residential First Mortgages (1-6 Family Only)</i>		
Government (FHA/VA/RHS) Mortgages		
Conforming Mortgages		
Non-Conforming Mortgages		
Other Residential First Mortgages		
Other Residential Mortgages		
Closed-End Second Mortgages		
Funded HELOCs		
Reverse Mortgages		
Other		
Total New Jersey Residential Mortgages Serviced		

**New Jersey Mortgage Loans Serviced with
Private Mortgage Insurance
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your collection of private mortgage insurance from January 1, 2020, through December 31, 2020, *for New Jersey consumers only.*

	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Loans with private mortgage insurance		

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Servicing Activity Section

**New Jersey Mortgage Loan Servicing Activity Summary
*as of 12/31/2020 or Close of Business***

The online application will ask you to provide the following information concerning your mortgage loan servicing activities from January 1, 2020, through December 31, 2020, *for New Jersey consumers only.*

<i>Loans Serviced Under MSRs</i>	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Owner Name		
Owner Name		
Owner Name		
<i>Loans Serviced for Others</i>	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Owner Name		
Owner Name		
Owner Name		
<i>Loans Serviced by Others</i>	Total Number	Total Dollar Amount <i>(in whole U.S. dollars)</i>
Sub-servicer Name (NMLS ID)		
Sub-servicer Name (NMLS ID)		
Sub-Servicer Name (NMLS ID)		

For Use as a Worksheet Only – Do Not Send to the Department!

Affidavit

This sample affidavit is included for completeness only. The online application will collect all of the necessary information. DO NOT MAIL THIS AFFIDAVIT to the Department, unless you are specifically instructed to do so.

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I hereby certify that the information provided in connection with this Annual Report is true to the best of my knowledge and belief:

(Date)

(Signature of Licensee or Responsible Party)

Please enter the following information for the individual preparing this report:

Name of Preparer _____

Title of Preparer _____

Phone of Preparer _____

E-mail of Preparer
(if available) _____

Please enter the following information for the licensee or individual responsible for the licensed entity. The responsible party can be the NJ Qualified Individual or any other officer, and the mailing address should be what is on the Q1 for the company.

Name of Responsible Party _____

Title of Responsible Party _____

Address of Responsible Party _____

Phone of Responsible Party _____

E-mail of Responsible Party _____

All licensees **must** include their official e-mail address in their annual report according to N.J.A.C. 3:23-4.1. Failure to supply your official e-mail address will result in a failure to comply with the annual report filing requirement.

===== *Notarization* =====

State of _____ County of _____

Sworn to and subscribed before me this _____ day of _____ in the year _____,
and I hereby certify that I am not an officer or director of this entity.

(Signature of Notary Public)

My commission expires on _____
(Date)