

SENATE BILL 1014

By Finney L

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 13, relative to the exceptions to the Tennessee Residential Lending, Brokerage, and Servicing Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-13-201(b), is amended by adding the following language as new, appropriately designated subdivisions:

(7)

(A) Any person, or person under the control of another person, including but not limited to, the employees of such person, who, as seller, receives or makes in any consecutive twelve-month period five (5) or fewer residential mortgage loans and who does not hold out to the public as being in the mortgage lending business, unless the United States department of housing and urban development has:

(i) Determined by regulation that such person is a loan originator pursuant to the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, compiled in 12 U.S.C. § 5101, et seq; and

(ii) Requires that such person be licensed as a mortgage loan originator;

(B) No person, including employees of such person, shall be exempt from subsection (a) and this chapter pursuant to this subdivision (b)(7) if such person makes more than five (5) residential mortgage loans in a consecutive twelve-month period whether such person makes such loans themselves or through another person over whom such person has control;

(8) A person that performs only real estate brokerage activities and is licensed pursuant to title 62, chapter 13. Such person is permitted to communicate and include in any contract any mortgage terms agreed upon by the parties for the real property being financed without being required to be licensed under this section.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.