



STATE OF WASHINGTON  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
DIVISION OF CONSUMER SERVICES

P.O. Box 41200 • Olympia, Washington 98504-1200

Telephone (360) 902-8703 • TDD (360) 664-8126 • FAX (360) 664-2258 • [www.dfi.wa.gov](http://www.dfi.wa.gov)

January 23, 2012

**TO:** Consumer Loan Licensees  
**RE:** 2011 Annual Reporting Requirements

**PLEASE TAKE NOTE OF THE FOLLOWING IMPORTANT DEADLINES!**

- 1. 2011 Consumer Loan Annual Assessment Report (AAR) and Consolidated Annual Report (CAR)**  
Must be filed with the Department by March 1, 2012.
- 2. NMLS Mortgage Call Report** – In addition to the 2011 AAR and CAR that you are required to file with the Department, you must also file the NMLS Mortgage Call Report by February 14, 2012. The AAR and CAR are a separate requirement from the NMLS Mortgage Call Report; however, The Department is working with NMLS to create a more efficient and effective system to eliminate duplicative reporting.
- 3. Mortgage Servicing-** For Residential Mortgage Servicing, DFI will calculate the amount owed based on the volume of loans serviced and the proportionate cost to DFI for operating the program. After we receive your servicing information, DFI will calculate your portion of the cost of operating the program and send you a bill. You will receive your bill for the assessment owed by July 1, 2012. The assessment fee is due to DFI on or before August 31, 2012.

**What if I did not do any business in Washington during the 2011 calendar year?**

Consumer Loan Licensees must file both the CAR and the AAR even if they did NO business in Washington State during 2011. Both the CAR and AAR must be filed, even if no annual assessment fee is due.

**What constitutes a complete and timely filing?**

DFI must receive the following required items on or before Thursday, March 1, 2012:

- Completed 2011 AAR & CAR signed by executive of company and notarized
- Check made payable to the “Washington State Treasurer,” for entire amount of assessment fee due
- Supporting Loan Lists that are labeled, totaled, and formatted per the instructions

In addition to the items above, you must also file your 2011 financial statements via the NMLS no later than March 31, 2012. Financial statements must be prepared in accordance with GAAP and contain both a balance sheet and income statement. Please visit our website for further information about the NMLS Call Reports.

<http://dfi.wa.gov/cs/mortgage-call-report.htm>

### **What if I fail to deliver my complete filing by the March 1, 2012, deadline?**

Assessment filings, including all the required items detailed above, received after Thursday, March 1, 2012, will be assessed a late penalty of \$50 per report for each day of delay. For example, if you deliver both your CAR and AAR late, you will incur a late penalty of \$100 per day late. Please include a second payment check made payable to the “Washington State Treasurer” for the entire amount of the late penalty.

### **What transactions do I include on the Consumer Loan Act (CLA) annual assessment?**

The CLA annual assessment includes all Washington mortgage and non-mortgage loans:

- Owner-occupied *brokered or table funded* by the Licensee, regardless of the interest rate, or lien position
- Owner-occupied loans *made by the Licensee*, regardless of the interest rate, or lien position
- Owner-occupied loans *purchased by the Licensee* through the secondary market
- Owner-occupied loans *held in the Licensee’s portfolio* on December 31, 2011
- Advances on Reverse Mortgages *made or table funded*
- Accrued Interest on Reverse Mortgages *serviced*

### **How must I deliver my loan lists and other supporting documentation?**

You must take adequate steps to ensure secure transmission of your supporting documentation by:

- Encrypting electronic records

\*DFI uses ZixMail for secure email transmissions. Please Contact Amanda Harvey at [Amanda.Harvey@dfi.wa.gov](mailto:Amanda.Harvey@dfi.wa.gov) to arrange for a secure email communication.

### **How must I format my loan list worksheets?**

**If you do not include your loan list worksheets, your report will be considered incomplete.**

- Please visit our website for a sample workbook with each worksheet required at: [http://dfi.wa.gov/cs/consumer\\_loan\\_forms.htm](http://dfi.wa.gov/cs/consumer_loan_forms.htm)
- Deliver loan list worksheets in an electronic format compatible with Microsoft Excel
- Label and submit a loan list worksheet for each AAR line 1, 2a, 2b, 2c, 2d and CAR lines 1 through 11.

Each supporting loan list must include the following six data fields (*a worksheet is provided below*):

1. Loan or Account Number
  2. Principal Loan Amount
  3. Date Loan Funded
  4. Note Interest Rate
  5. Lien Position (mortgage loans)
  6. Type of collateral (real estate, personal property, unsecured, etc)
- Total the Number of loans/accounts at the bottom of worksheet (An Excel count function)
  - Total the Current Principal Loan Amounts at the bottom of the worksheet (An Excel sum function)



Loan List  
Workbook.xls

<http://dfi.wa.gov/cs/docs/2011-cla-annual-assessment-worksheet.xls>

Residential Mortgage Servicing Loan List

1. Loan or Account Number
2. Current Principal Loan Amount as of 12/31/2011
3. Date Loan was Boarded on System
4. Owner/investor of Loan
5. Type of Loan (fixed, variable)
6. Current Interest Rate as of 12/31/2011
  - Total the Number of loans/account at the bottom of worksheet (An Excel count function)
  - Total the current principal loan amounts at the bottom of worksheet (An Excel sum function)

**What if I received this packet and am not the proper contact person to complete this request?**

- Immediately forward the packet to those responsible for annual assessment reporting
- Notify DFI in writing to update the compliance contact person on record at [dc@dfi.wa.gov](mailto:dc@dfi.wa.gov)

**Where do I deliver my completed 2011 Consumer Loan Annual Assessment Report and Consolidated Annual Report?**

Mail your completed report to one of the following addresses:

Via US Postal Service:

Department of Financial Institutions  
Division of Consumer Services  
PO BOX 41200  
Olympia, WA 98504-1200

Via Other Couriers:

Department of Financial Institutions  
Division of Consumer Services  
150 Israel RD SW  
Tumwater, WA 98501

Thank you for responding promptly. If you have questions or need assistance, please contact:

Amanda Harvey, Management Analyst  
Phone: 360-902-8817  
Email: [amanda.harvey@dfi.wa.gov](mailto:amanda.harvey@dfi.wa.gov)

Enclosures: Blank AAR  
Blank CAR  
Affidavit

**2011 WASHINGTON STATE CONSUMER LOAN ANNUAL ASSESSMENT REPORT (AAR)**

**Report Due to DFI: March 1, 2012**

Name of company as licensed in Washington: \_\_\_\_\_

Main Office NMLS Number (CL- )

**Annual Report for Business conducted through December 31, 2011**

2011 WASHINGTON STATE CONSUMER LOAN ACTIVITY (ANSWER EVERY QUESTION OR WRITE IN "NONE")		Number of Loans	Dollar Volume	Number of Loans	Dollar Volume
LOAN ACTIVITY: ASSESSMENT		MORTGAGE	MORTGAGE	NON-MORTGAGE	NON-MORTGAGE
Last year your company reported on line 1 and 2 of the CAR a portfolio balance on December 31, 2010. *If this number and dollar volume are correct, enter the amounts on line 1 of AAR. If it is incorrect, attach an explanation of the difference and enter the corrected amount on line 1.					
<b>1</b>	Enter the total principal balance of WA loans in your portfolio on <b>December 31, 2010</b> .				
<b>2a</b>	Enter the total principal amount of all WA loans <i>brokered or table funded</i> during 2011. (not reverse mortgages)				
<b>2b</b>	Enter the total principal amount of all WA loans you <i>made</i> during 2011. (not reverse mortgages)				
<b>2c</b>	Enter the total principal amount of all WA loans you purchased during 2011. (not reverse mortgages)				
<b>2d</b>	Enter the advances made and accrued interest on Reverse Mortgages <i>table-funded, made, or purchased</i> during 2011.				
<b>2e</b>	Subtotal: <b>Add lines 1 through 2d. Enter total mortgage dollar volume on line 3, Enter total non-mortgage dollar volume on line 4.</b>				
<b>ASSESSMENT FEE CALCULATION</b>				<b>Dollar Volume</b>	
<b>3</b>	Enter the total <b>mortgage dollar volume</b> from 2e here.				
<b>4</b>	Enter the total <b>non-mortgage dollar volume</b> from 2e here.				
<b>5</b>	Adjusted total loan volume: Add lines 3 and 4.				
<b>6</b>	Assessment fee: multiply line 5 by .000180271 (round to the nearest cent) enter the result here. <b>Pay this amount. Make checks payable to the "Washington State Treasurer."</b>				

## 2011 WASHINGTON STATE CONSUMER LOAN CONSOLIDATED ANNUAL REPORT (CAR)

Main office NMLS Number: (CL- )

**Report Due:** March 1, 2012

**Assessment for Business** conducted through December 31, 2011

<b>I. 2011 WASHINGTON STATE CONSUMER LOAN ACTIVITY</b> (ANSWER EVERY QUESTION OR WRITE IN "NONE")		<b>Number of Loans</b>	<b>Dollar Volume</b>
<b>1</b>	Enter the total principal balance of <i>WA residential mortgage loans in the licensee's portfolio on December 31, 2011.</i>		
<b>2</b>	Enter the total principal balance of <i>WA non-residential mortgage loans in the Licensee's portfolio on December 31, 2011.</i>		
<b>3</b>	For all loans that you own, enter the following information as of <b>December 31, 2011</b> :		
	3a. Interest Only Adjustable Rate Mortgages (ARMs)		
	3b. Payment Option ARMs		
	3c. Other first lien loans that permit negative amortization		
	3d. Introductory rate loans (Loans with low initial payments based on fixed introductory or "teaser" rate)		
	3e. Balloon Payment Loans		

<b>II. 2011 WASHINGTON STATE RESIDENTIAL MORTGAGE LOAN SERVICING ACTIVITY</b> (ANSWER EVERY QUESTION AND COMPLETE THE VOLUME INFORMATION BELOW OR WRITE IN "NONE")		<b>Number of Loans</b>	<b>Dollar Volume</b>
<b>1</b>	Servicing of Residential Mortgage Loans (includes loans serviced through a contract) <ul style="list-style-type: none"> <li><b>if Yes,</b> Enter the number of loans and principal balance on the date the loan was received for servicing (boarded) in 2011 or the principal balance on January 1, 2011, if boarded in previous year(s).</li> </ul>		
<b>1a</b>	If you reported loans in line 1 above that were also reported in AAR line 2b, 2c, and 2d:  Enter the number of loans and dollar volume from lines 2b, 2c, and 2d of the AAR that that were serviced and reported above on line 1.		
<b>1b</b>	Servicing of Residential Mortgage Loans contracted to a sub-servicer <ul style="list-style-type: none"> <li><b>if Yes,</b> Enter the number of loans and principal balance on the date the loan was received for servicing (boarded) in 2011 or the principal balance on January 1, 2011, if boarded in previous year(s). (<b>see line 9 below</b>)</li> </ul>		

<b>2011 WASHINGTON STATE RESIDENTIAL MORTGAGE LOAN SERVICING ACTIVITY</b> <b>(ANSWER EVERY QUESTION AND COMPLETE THE VOLUME INFORMATION BELOW OR WRITE IN "NONE")</b>		<b>Number of Loans</b>	<b>Dollar Volume</b>
<b>1c</b>	Sub-servicing of Residential Mortgage Loans <ul style="list-style-type: none"> <li> <b>if Yes</b>, Enter the number of loans and principal balance on the date the loan was received for servicing (boarded) in 2011 or the principal balance on January 1, 2011, if boarded in previous year(s). <b>(see line 9 below)</b> </li> </ul>		
<b>2</b>	Washington mortgage loans contractually delinquent 30 days or more <b>at the end of 2011.</b>		
<b>3</b>	Washington Mortgage loans referred to loss mitigation <b>during 2011</b>		
<b>4</b>	Washington mortgage loans that foreclosed <b>during 2011.</b>		
<b>5</b>	Washington mortgage loans modified under HAMP loan modifications <b>during 2011.</b>		
<b>6</b>	Washington mortgage loans modified under other loan modifications <b>during 2011.</b>		
<b>7</b>	Servicing of Personal Property Loans <b>during 2011</b>		
<b>8</b>	Loans paid off through short sale <b>during 2011</b>		
<b>9</b>	<b>If you reported master or sub-servicing activity on line 1b or 1c above, enter the name, address, and phone number of sub-servicer or master servicers contracted with your company.</b>  <b>Name:</b> <b>Address:</b> <b>Phone Number:</b>  <b>Name:</b> <b>Address:</b> <b>Phone Number:</b>  <b>Name:</b> <b>Address:</b> <b>Phone Number:</b>		

**AFFIDAVIT FOR 2011 CONSUMER LOAN ANNUAL ASSESSMENT REPORT AND CONSOLIDATED ANNUAL REPORT**

(Please print clearly)

**AFFIDAVIT OF PREPARER:**

I hereby certify and swear (or affirm) under penalty of perjury that I have examined the information contained in this Annual Assessment Report (AAR), Consolidated Annual Report (CAR), and attached supporting documentation (including any accompanying schedules and statements – if any), and the reported information is correct and complete in accordance with the law, and further acknowledge that there are no misrepresentations or omissions of material facts.

Prepared By: \_\_\_\_\_  
*Signature* \_\_\_\_\_ *Date* \_\_\_\_\_

\_\_\_\_\_  
*Typed or printed name of preparer* \_\_\_\_\_ *Title* \_\_\_\_\_

Phone: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

**AFFIDAVIT OF COMPANY OFFICIAL:**

I, \_\_\_\_\_ the undersigned being the \_\_\_\_\_  
*Type or Print Name of Company Official* \_\_\_\_\_ *Title of Company Official* \_\_\_\_\_

of \_\_\_\_\_, a Washington licensed Consumer Loan Company,  
*Print Company Name as Licensed*

hereby certify and swear (or affirm) under penalty of perjury that I have examined the information contained in this Annual Assessment Report (AAR), Consolidated Annual Report (CAR), and attached supporting documentation (including any accompanying schedules and statements – if any), and the reported information is correct and complete in accordance with the law, and further acknowledge that there are no misrepresentations or omissions of material facts.

\_\_\_\_\_  
*Signature of Company Official*

**NOTARY:**

Signed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and

I hereby certify that I am not an officer or director of this company. \_\_\_\_\_  
*Signature of Notary Public*

notary seal here

Notary Public in and for the:  
State of \_\_\_\_\_  
County of \_\_\_\_\_  
My appointment expires: \_\_\_\_\_