

FRANZÉN AND SALZANO WELCOMES ATTORNEY NATHAN BOWDEN



Nathan Bowden joined Franzen and Salzano, P.C. in May of this year. Nathan graduated from Emory University School of Law in 1997. During law school, Nathan served as law clerk to Cobb County Superior Court Judge George Kreeger. Since graduation, Nathan has practiced law with firms in

Georgia and New York, primarily in the areas of litigation and real estate. Nathan has extensive publishing experience and has served as an adjunct professor for Southhampton College in New York. Nathan is licensed in both Georgia and New York.

GEORGIA LAW UPDATE

STATUTORY CHANGES

Effective July 1, 2003, Georgia Senate Bill 78 made numerous "housekeeping" changes to Georgia's banking law, including changes to the bond requirements and other provisions of the Georgia Residential Mortgage Act.

PROPOSED REGULATION CHANGES

The comment period closed on July 21, 2003 for new rules proposed by the Georgia Department of Banking and Finance ("DBF"). The proposed rules require the

Announcements

We are pleased to announce the birth of **Kedzie Olivia Howe on June 17, 2003.**

Mother and baby are doing well.

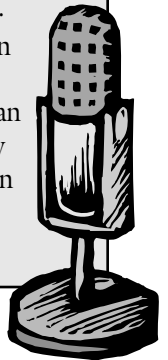
Congratulations to Shannon and Michael!

Nathan Bowden and **Shirley Atkinson-Samms** have joined the firm as associates. Nathan's bio appears in this newsletter (above), and Shirley's bio will appear in our next edition.

"TALKING THE TALK"

Terry will speak on **August 28** in Atlanta at a Continuing Legal Education seminar concerning litigation under the Georgia Fair Lending Act. She will provide an update on predatory lending issues at the following events: the American Community Bankers Conference in San Antonio in **September**; the CRA and Fair Lending Colloquium in Atlanta in November; the Conference on Consumer Finance and Consumer Credit in Dallas in **November**; and at the ACI Predatory Lending Conference in Las Vegas in **November**.

Loretta will speak at Continuing Legal Education predatory lending seminars in Atlanta in both **July** and **August**. In **October**, she will provide an update on collections, solicitations and predatory lending to the NHEMA Attorneys Roundtable in Sarasota, and she will address the Southeastern Mortgage Brokers Conference in Destin.



licensing of independent processors; increase the annual licensing and branch fees, revise the \$6.50 per loan fee form; change the rules concerning advertisements, record keeping, audits, fines, branch managers, and employee supervision; and clarify the rules concerning background checks, bonds, place of business requirements, and felony convictions.

STATE BAR OF GEORGIA UPL ADVISORY OPINION

On April 22, 2003, the State Bar of Georgia issued UPL Advisory Opinion No. 2003-2, concerning the unauthorized practice of law in the context of "witness only closings" in Georgia. The Advisory Opinion concludes that those who conduct "witness only closings" (including purchase and non-purchase money mortgage closings) are engaged in the unauthorized practice of the law unless they are a Georgia licensed attorney. Please contact us if you would like further information.

PARITY ACT RULE CHANGES

The U.S. District Court ruled in favor of the OTS and against the National Home Equity Mortgage Association ("NHEMA") in NHEMA's case challenging the revised

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Parity Act rules. The revised rules eliminating this preemption became effective July 1, 2003.

STATES IN BRIEF

ARKANSAS

Arkansas' new predatory lending law became effective July 15, 2003.

CONNECTICUT

Connecticut has revised its wet settlement law, effective October 1, 2003.

ILLINOIS

The Illinois Legislature passed the High Risk Home Loan Act, Senate Bill 1784, on May 31, 2003. The Governor has sixty days to act on the bill.

INDIANA

The Indiana Court of Appeals recently ruled that a lender-retained document preparation fee is prohibited in Indiana.

MAINE

Effective September 13, 2003, Maine's "high-rate, high-fee mortgage" law will change.

MISSOURI

The Missouri Department of Insurance recently increased the maximum percentage of permissible indebtedness for mortgage guaranty insurance.

MONTANA

The "Montana Mortgage Broker and Loan Originator Licensing Act," requiring licensing for mortgage brokers

and loan originators employed by mortgage brokers, will become effective September 1, 2004.

NEVADA

Nevada's predatory lending law is effective October 1, 2003.

NEW JERSEY

Effective November 27, 2003, New Jersey Assembly Bill No. 75 will apply to "home loans," "covered home loans," and "high cost home loans."

OKLAHOMA

Oklahoma has changed the high-cost home loan provisions currently found in Oklahoma's Consumer Credit Code and has changed its Mortgage Broker Licensure Act.

SOUTH CAROLINA

South Carolina's new predatory lending law (effective January 1, 2004) restricts "consumer home loans," "high cost home loans," and changes the broker licensing law and general mortgage lending laws.

TEXAS

Texas' new Mortgage Banker Registration Act is effective January 1, 2004. The legislature also recently amended the laws relating to mortgage broker and loan officer licensees, effective September 1, 2003.

Publisher's Note:

Points of Interest is published by Franzén and Salzano, P.C. for clients and colleagues in the lending industry and should not be construed as legal advice. The contents are for general information purposes only. You are urged to consult legal counsel concerning any specific situation or legal issue.

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