



PLEASE WELCOME SHERI L. MULLANE TO THE FIRM

Sheri is an attorney with extensive experience in the mortgage and banking industry. Prior to joining the firm in May, 2006, Sheri was Assistant General Counsel with Bank of America.

Sheri previously served as in-house counsel for other banks and mortgage lenders. Sheri received her J.D. degree in 1989 and is a member of the New York State Bar Association and the State Bar of Georgia.

BOARD ELECTIONS

Terry Franzén was elected Treasurer of the Georgia Real Estate Fraud Prevention and Awareness Coalition.

Loretta Salzano was elected President of the Atlanta MBA and Director of both NHEMA and the MBA of GA.

FEDERAL HIGHLIGHTS

The **FDIC** recently issued guidance regarding a lender's review of a credit report containing a fraud alert or active duty alert.

The **FCC** issued its final regulations implementing the **Junk Fax Prevention Act of 2005**.

Fannie Mae amended its selling guide policies with regard to HOEPA mortgages and mortgages with excessive fees.

STATES IN BRIEF

Arizona enacted HB 2081 limiting the use of a lender's name in solicitations without the lender's permission.

Colorado passed HB 1161 requiring registration of mortgage brokers by January 1, 2007. HB 1323 addresses mortgage fraud.

Georgia SB 505 exempts from the mortgage broker and banker licensing requirements exclusive independent contractors of certain wholly-owned subsidiaries. HB



Congratulations!

Shannon Howe, her husband Michael and children Ethan and Kedzie, welcomed baby Sawyer to the family on June 2nd.

1282 allows an interim filing intended to address the backlog of deed recordations (particularly in metro Atlanta counties).

Idaho adopted new regulations under the Residential Mortgage Practices Act regarding continuing education requirements, disclosures, prohibited practices, trust accounts and financial requirements.

The **Illinois** legislature passed SB 304, requiring the Secretary of Financial and Professional Regulation to declare the inception date of the Predatory Lending Database Pilot Program no later than September 1, 2006, and at least 30 days after the Secretary issues a

"TALKING THE TALK"

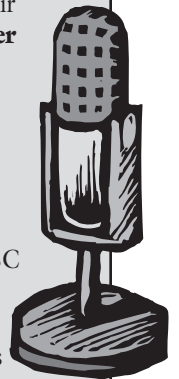
Terry Franzén will speak at the ACI Mortgage Lender Compliance Conference in **July** in San Diego and at the Credit Law Institute in Dallas in **November** regarding mortgage fraud. In **October**, Terry will address the CRA & Fair Lending Colloquium in Newport, RI.

In **July**, **Loretta Salzano** will teach at the MBA's Regulatory Compliance Institute in Washington, DC. In **August**, she will address The Credit Law Institute in Hawaii. Loretta has been invited to speak at NHEMA'S Attorneys' Roundtable in Newport Beach and at the SEMBC in the Bahamas in **October**. She will Chair ACI's anti-predatory lending seminar in **November** in Las Vegas.

John Bedard will address the ACA International Annual Meeting in San Diego and the National Business Institute Seminar in Atlanta in **July**. In **October**, he will address the Credit Law Institute in Dallas.

Drexel Beck will present two classes at the SEMBC in the Bahamas in **October**.

Michelle Canter will discuss mortgage fraud at the ACI Mortgage Fraud Conference in Las Vegas in **November** and in **January** at the Consumer Credit 2006 Conference in Dallas.



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declaration establishing the date.

Indiana SB 384 amends various provisions of the UCCC.

Iowa SB 2353 makes the Mortgage Bankers and Brokers Act applicable to all mortgage loans and amends the time for providing a servicing disclosure. HB 2786 concerns foreclosures.

Kansas HB 2659 outlines specific requirements for title insurance policies for purchase money mortgages. HB 2806 concerns wet funding. HB 2735 addresses restriction on certain lenders regarding appraisals.

Kentucky HB 462 imposes additional requirements on HUD-approved lenders that are exempt from licensure and concerns payoff requests and loan officer registration.

Louisiana HB 1271 amends provisions regarding mortgage lender and broker license renewals, revocations and suspensions, and prohibits prepayment penalties on loan balances prepaid using insurance proceeds in connection with a gubernatorially declared disaster.

New Jersey SB 1181 concerns foreclosure proceedings on residential mortgages.

New Mexico HB 254 amends certain provisions of the Deed of Trust Act.

Ohio SB 185 amends the Predatory Lending Act effective January 1, 2007. The amendment significantly changes the points and fees and APR thresholds, and addresses prepayment penalties, licensing, and disclosures.

Oklahoma HB 2147 and SB 1877 address loan solicitations and mortgage broker disclosures, respectively.

Tennessee enacted the "Tennessee Home Loan

Protection Act" (HB 3597) applicable to high cost home loans applied for and closed on or after January 1, 2007. The TN AG issued an Opinion concerning the Good Funds Act which SB 2552 amends.

The **Texas** Department of Savings and Mortgage Lending amended 7 TAC §§80.9 and 80.10 relating to mortgage broker and loan officer disclosures and responsibilities. In *ACORN, et al. v. Finance Commission of Texas*, several provisions of the home equity interpretative rules were declared invalid.

Utah SB 128 concerns release of a security interest in connection with a revolving line of credit. SB 252 allows a creditor to contract for the waiver of the right to initiate or participate in a class action related to the contract if certain requirements are met.

Virginia recently amended its mortgage lender and broker regulations concerning advertisements.

Wisconsin AB 1037 amends the notice requirements for variable rate loans and imposes document reproduction and destruction requirements. AB 986 permits financial institutions in certain circumstances to sue perpetrators of financial crimes.

Security breach laws were recently enacted in **Arizona** (SB 1338), **Idaho** (SB 1374), **Indiana** (HB 1101), **Kansas** (SB 196), **Kentucky** (SB 54), **Nebraska** (LB 876) and **Utah** (SB 69).

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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