

# RESIDENTIAL MORTGAGE LENDER NOTIFICATION (§10131.8)

RE 859 (New 12/04)

## INSTRUCTIONS & REPORT INFORMATION

RECEIVED DATE

- Use this form to annually notify the Department of Real Estate when a broker or corporation:
  - Meets all of the criteria of Business and Professions Code Section 10131.8 *or*
  - No longer meets the criteria of Section 10131.8.
- **Annual filing date** — No later than March 31st of each calendar year.
- B&P Sections 10131 and 10131.8 are printed on the reverse side for your convenience.
- Mail completed form to:  
Department of Real Estate  
Attn: Mortgage Lending Activities  
P.O. Box 187000  
Sacramento, CA 95818-7000

REPORT DATE

CHECK ONE

- INITIAL NOTIFICATION — MEETS CRITERIA ..... COMPLETE PARTS A AND B.
- ANNUAL NOTIFICATION — MEETS CRITERIA ..... COMPLETE PARTS A AND B.
- NO LONGER MEETS CRITERIA ..... COMPLETE PARTS A AND C.

### PART A

### LICENSE INFORMATION

1. NAME OF BROKER OR CORPORATION	2. LICENSE ID NUMBER
3. DESIGNATED OFFICER (IF CORPORATION)	4. BUSINESS TELEPHONE NUMBER
5. CURRENT BUSINESS ADDRESS (STREET ADDRESS)  (CITY, STATE, AND ZIP CODE)	6. CHECK "NO MAILINGS" BOX, IF YOU DO NOT WANT YOUR NAME AND ADDRESS TO BE INCLUDED ON MAILING LISTS.  <input type="checkbox"/> NO MAILINGS
7. DBA'S (IF ANY)	8. IF BROKER OR CORPORATION IS CURRENTLY LICENSED BY THE DEPARTMENT OF CORPORATIONS, PLEASE CHECK APPROPRIATE BOX? <input type="checkbox"/> RESIDENTIAL MORTGAGE LENDER <input type="checkbox"/> CALIFORNIA FINANCE LENDER
9. BRANCH OFFICE ADDRESS(ES) (ATTACH A LIST IF NECESSARY)	

### PART B

### MEETS CRITERIA OF SECTION 10131.8

- 1) The real estate broker is an approved lender for the Federal Housing Administration, Veterans Administration, Farmers Home Administration, Government National Mortgage Association, Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation and
- 2) The real estate broker makes residential mortgage loans to a loan applicant for a residential mortgage loan by using or advancing the broker's own funds, or by making a commitment to advance the broker's own funds and
- 3) The real estate broker makes the credit decision in the loan transaction and
- 4) The real estate broker at all times maintains a tangible net worth, computed in accordance with generally accepted accounting standards, of a minimum of two hundred and fifty thousand dollars (\$250,000).

*I certify under penalty of perjury that I or the corporation meet(s) all of the criteria of B&P Code 10131.8.*

SIGNATURE OF BROKER OR DESIGNATED OFFICER (IF CORPORATION) ➤	DATE
PRINTED NAME OF BROKER OR DESIGNATED OFFICER	

### PART C

### NO LONGER MEETS CRITERIA

*I certify under penalty of perjury that I or the corporation no longer meet(s) the criteria of B&P Code 10131.8. I understand that, if in the future I or the corporation meet all of the criteria of B&P Code 10131.8, I will resubmit this notification.*

SIGNATURE OF BROKER OR DESIGNATED OFFICER (IF CORPORATION) ➤	DATE
PRINTED NAME OF BROKER OR DESIGNATED OFFICER	

**10131.** A real estate broker within the meaning of this part is a person who, for a compensation or in expectation of a compensation, regardless of the form or time of payment, does or negotiates to do one or more of the following acts for another or others:

- (a) Sells or offers to sell, buys or offers to buy, solicits prospective sellers or purchasers of, solicits or obtains listings of, or negotiates the purchase, sale or exchange of real property or a business opportunity.
- (b) Leases or rents or offers to lease or rent, or places for rent, or solicits listings of places for rent, or solicits for prospective tenants, or negotiates the sale, purchase or exchanges of leases on real property, or on a business opportunity, or collects rents from real property, or improvements thereon, or from business opportunities.
- (c) Assists or offers to assist in filing an application for the purchase or lease of, or in locating or entering upon, lands owned by the state or federal government.
- (d) Solicits borrowers or lenders for or negotiates loans or collects payments or performs services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.
- (e) Sells or offers to sell, buys or offers to buy, or exchanges or offers to exchange a real property sales contract, or a promissory note secured directly or collaterally by a lien on real property or on a business opportunity, and performs services for the holders thereof.

**10131.8**

- (a) A real estate broker who acts pursuant to subdivision (d) of Section 10131 and who meets all of the following requirements shall notify the department annually in writing on a form that is acceptable to the commissioner: (1) The real estate broker is an approved lender for the Federal Housing Administration, Veterans Administration, Farmers Home Administration, Government National Mortgage Association, Federal National Mortgage Administration, or the Federal Home Loan Mortgage Corporation. (2) The real estate broker makes residential mortgage loans to a loan applicant for a residential mortgage loan by using or advancing the broker's own funds, or by making a commitment to advance the broker's own funds. (3) The real estate broker makes the credit decision in the loan transaction. (4) The real estate broker at all times maintains a tangible net worth, computed in accordance with generally accepted accounting standards, of a minimum of two hundred fifty thousand dollars (\$250,000).
- (b) As used in paragraph (2) of subdivision (a), "own funds" means (1) cash, corporate capital, or warehouse credit lines at commercial banks, savings banks, savings and loan associations, industrial loan companies, or other sources that are liability items on the real estate broker's financial statements, whether secured or unsecured, or (2) cash, corporate capital, or warehouse credit lines at commercial banks, savings banks, savings and loan associations, industrial loan companies, or other sources that are liability items on the financial statements of an affiliate of the real estate broker, whether secured or unsecured. "Own funds" does not include funds provided by a third party to fund a loan on condition that the third party will subsequently purchase or accept an assignment of the loan.