



# *The Commonwealth of Massachusetts*

*Office of the Commissioner of Banks*

*One South Station*

*Boston, Massachusetts 02110*

MITT ROMNEY  
GOVERNOR

KERRY HEALEY  
LIEUTENANT GOVERNOR

THOMAS J. CURRY  
COMMISSIONER OF BANKS

BETH LINDSTROM  
DIRECTOR  
OFFICE OF CONSUMER AFFAIRS  
AND BUSINESS REGULATION

April 14, 2003

Margaret Oberdank, Compliance Officer  
Celink  
3900 Capital City Boulevard  
Lansing, Michigan 48906

Dear Ms. Oberdank:

This letter is in response to your correspondence dated March 31, 2003 to the Division of Banks (the "Division") in which you request an opinion relative to whether mortgage servicers are required to be licensed in the Commonwealth.

In your letter you state that Celink is a mortgage servicer which is approved by the Department of Housing and Urban Development (HUD), the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Corporation ("Freddie Mae") and the Veterans' Administration ("VA"). Its business is to provide mortgage servicing on existing mortgage loans on behalf of clients. You emphasize that Celink does not originate, own, fund or purchase mortgage loans. You ask if mortgage servicing activities require a license in Massachusetts.

Massachusetts General Laws chapter 255E requires that any person or entity engaging in the business of a mortgage lender or mortgage broker obtain a license from the Division. However, there is no statutory requirement that a mortgage servicer be licensed to service mortgage loans originated in the Commonwealth. It has been the consistent position of the Division that a mortgage servicer which does not engage in any origination activities is not governed by said chapter 255E and is not required to obtain a mortgage broker or a mortgage license from the Division. However, the servicing of mortgage loans may require a collection agency license pursuant to Massachusetts General Laws chapter 93, section 24 if the activity includes collecting principal and interest payments from Massachusetts residents that are more than thirty days past due. The statute and regulation 209 CMR 18.00 should be renewed for applicability.

Margaret Oberdank  
April 14, 2003  
Page Two

The conclusions reached in this letter are based solely on the facts presented. Fact patterns which vary from that presented may result in a different positions statement by the Division.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph A. Leonard, Jr.", written in dark ink.

Joseph A. Leonard, Jr.  
Deputy Commissioner of Banks  
and General Counsel

JAL/NTT/mhc  
003036

OberdankMO03036jal.doc