



Commonwealth of Massachusetts
DIVISION OF BANKS
1000 Washington St., 10th Floor
Boston, MA 02118

IMPORTANT NOTICE ABOUT THE MORTGAGE BROKER ANNUAL REPORT

The filing of Massachusetts MCRs for all quarters of the calendar year during which the Licensee conducted business shall satisfy the annual reporting required under General Laws chapter 255E, § 8 for mortgage brokers. Therefore, Licensees are no longer required to file the Mortgage Broker Annual Report form with the Division.

Please be advised that Licensees remain responsible for making all required annual filings through the NMLS, as described below.

LATE FEES FOR FAILURE TO TIMELY FILE THE MORTGAGE CALL REPORT

Whereas the information previously required in the Mortgage Broker Annual Report is now captured in the MCRs filed for the calendar year, the Commissioner has determined that the filing of Massachusetts MCRs for all quarters for the calendar year during which the Licensee conducted business shall satisfy the annual reporting required under General Laws chapter 255E, § 8. Accordingly, the Division will assess a \$50.00 per calendar day late fee to all Massachusetts licensed mortgage brokers that fail to file such MCRs by March 31, 2017.

FINANCIAL STATEMENTS

Within ninety (90) days of the end of their fiscal year, mortgage brokers are required to submit, through the Nationwide Multi-State Licensing System and Registry (NMLS), AUDITED or REVIEWED financial statements prepared by an independent Certified Public Accountant (CPA) in accordance with: (a) Generally Accepted Accounting Principles (GAAP), and (b) in accordance with either Generally Accepted Auditing Standards (GAAS), or with the Statement on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants (AICPA).

Financial statements must include a Balance Sheet, Income Statement, and Statement of Cash Flows and all relevant notes thereto, including "Supplemental Notes" if the Licensee holds HUD/Government approvals. If the audited or reviewed financial statements are consolidated, these must include a separate breakdown of all entities, including the Licensee. Consolidated financial statements must also include a separate, stand-alone breakdown of the Licensee with a separate Balance Sheet, Income Statement and Statement of Cash Flows.

Please be advised that Licensees should not mail paper financial statements to the Division. Rather, Licensees are required to file financial statements as PDF files through the NMLS. For technical assistance with this process, Licensees are to contact the NMLS Call Center at (855) 665-7123 or review instructions on their website, <http://mortgage.nationwidelicensingsystem.org>.

MORTGAGE CALL REPORTS

Within forty-five (45) days of the end of each calendar quarter, mortgage brokers are required to submit, through the NMLS, complete and accurate Mortgage Call Reports (MCR) for all jurisdictions in which it does mortgage business. The Massachusetts MCR will provide the production information that was previously included in the Mortgage Broker Annual Reports. It is the Licensee's responsibility to ensure that all data is accurate and filed on a timely basis.

MORTGAGE LOAN ORIGINATOR REPORTING WITHIN THE MCR

All Mortgage Loan Originators (MLO) licensed by the entity during the quarter must be listed in the MCR regardless of volume or closed/funded loans.

Questions regarding this advisement should be directed to the Division's Mortgage Licensing Unit at 617-956-1500 ext. 61480 or the NMLS Call Center at 855-665-7123.