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State of New Hampshire

Banking Department

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MORTGAGE BANKER/BROKER/SERVICER FORM 397-A-AR

REPORT FIRST, SECOND, & OTHER SUBORDINATE NH MORTGAGE LOANS ON THIS SINGLE FORM

GENERAL INSTRUCTIONS

1. Information provided in this form is aggregated with similar license types and an analysis is published by the New Hampshire Bank Commissioner in his Annual Report to the Governor and Executive Council. The accuracy of the information is also important because it will be used by the New Hampshire Banking Department ("the department") if assessment calculations are needed.
2. A Mortgage Banker, Mortgage Broker or Mortgage Servicer who surrenders its license or registration during the 2013 calendar year must file this annual report form, along with a NH License Surrender Form, within 15 days from the date the company ceases business in New Hampshire.
3. All Mortgage Bankers, Mortgage Brokers and Mortgage Servicers continuing to be licensed or registered in accordance with NH RSA 397-A or NH RSA 397-B and each Mortgage Banker/Broker/Servicer whose license/registration expired on December 31, 2013 and that was licensed/registered during any period of time during the preceding calendar year, must complete and file this report with the department on or before March 31st of the ensuing year.
4. Complete each schedule; do not leave any blanks. Reports with blanks will be deemed as "not filed" for purposes of any penalty. If an item is not applicable to the business conducted by the licensee, enter "N/A", "none", "O", or "zero".
5. **SAVE YOUR CALCULATIONS.** Work papers used to calculate and compile the information required by this form must be retained and made available when the licensee is examined by the department. It is not sufficient to try to re-create the work papers at examination.
6. This report must be filed if a license was held for a portion of the reporting year and must be filed even if no loans were originated, brokered or made. The original report, signed under penalty of unsworn falsification pursuant to NH RSA 641:3, must be delivered to the department by hand or by mail, or completed via our on-line reporting mechanism; we cannot accept fax transmissions of reports. Failure to file the annual report or late filing of the annual report results in a statutory penalty of \$25 per day for each day the report is overdue.
7. No fee is required to file this annual report. Round dollar amounts to the nearest whole number.
8. If any information reported on the annual report is discovered to be inaccurate, the entity must file an amended report immediately. Amended annual reports can NOT be submitted using the on-line form. The form must be printed and delivered to the department.
9. Definitions:

1. **“Lead Generator”** includes a person who: generates leads for mortgage originators, bankers and brokers; does not take a borrower’s personal financial information; and does not conduct any of the activities of a mortgage originator, banker or broker.
2. **“Loan Processor”** includes a person who performs clerical or support duties required to process or underwrite a loan. A Loan Processor for annual report purposes includes only those persons acting as an independent contractor and therefore holding its own license. It does not include persons acting as an employee of a licensed entity.
3. **“Mortgage Broker”** includes a person who: acts as an intermediary, finder, or agent of a lender or borrower for the purpose of negotiating, arranging, finding, or procuring mortgage loans, or commitments for mortgage loans; offers to serve as an agent for any person in an attempt to obtain a mortgage loan; or offers to serve as an agent for any person who has money to lend for a mortgage loan.
4. **“Mortgage Lender”** and **“Mortgage Banker”** includes a person who: makes or originates mortgage loans as payee on the note evidencing the loan; advances or offers to advance or make a commitment to advance the banker’s own funds for mortgage loans; closes mortgage loans in their own name or with the banker’s own funds; or otherwise engages in the business of funding mortgage loans.
5. **“Mortgage Servicer”** includes a person that, for itself or on behalf of the holder of a mortgage loan: holds the servicing rights; records such payments on its books and records; and performs such other administrative functions as may be necessary to properly carry out the mortgage holder’s obligations under the mortgage agreement including, when applicable, the receipt of funds from the mortgagor to be held in escrow for payment of real estate taxes and insurance premiums and the distribution of such funds to the taxing authority and insurance company. The term includes a person that “sub-services” through contractual obligations with the holder of the servicing rights.
6. **“NH first mortgage business”** and **“NH second or subordinated mortgage business”** means loans (purchase or refinance) that are primarily for personal, family, or household use that are secured in whole or in part by a mortgage upon any interest in real property located in the State of New Hampshire which is or shall be occupied in whole or in part as a place of residence and which consists of not more than 4 living units (second homes, mobile homes and manufactured housing are included). Investment properties should be reviewed for the purpose of the loan (whether it is for personal, family, or household use) before being included in the totals.
7. **“NH Gross Revenue”** means all revenue from whatever source received by the licensee on NH loans, before any expenses are deducted. Include gross revenue from sales of mortgages at or subsequent to closing. Gross revenue does not include repayment of principal.

SPECIFIC SCHEDULE INSTRUCTIONS

SCHEDULE 1:

1. Complete Schedule 1 only if you are involved with the origination or original advance of funds for the loan.
2. In the case of a rescission period, report the loan as of the date funds were disbursed (i.e. loan closed 12/30/13, funds disbursed 1/03/14, that loan is reported for the calendar year 2014).
3. Do not identify loans that you purchased on the secondary market.
4. Do not include loans that did not close (i.e. withdrawn, cancelled, denied, etc).
5. Do not double count mortgage loan transactions. Categorize each loan by deciding which of the 3 categories on the form best apply.
6. Loans that were table-funded, or named an entity on the Note that did not actually advance the funds, should be recorded in the following manner:
 - a. The entity named on the Note “originated but not funded” the loan
 - b. The entity that advanced the funds and appeared on the HUD-1 Settlement Statement “funded but not originated” the loan.
7. Include gross revenue from the origination, funding, and selling of mortgages at or subsequent to closing.

SCHEDULE 2:

1. Complete Schedule 2 only if you routinely service loans. You do not “routinely” service loans for annual report purposes if you only take the occasional payment while the loan is transitioning to an investor.
2. A foreclosure is only reported by the entity that appears on the foreclosure documents.
3. A foreclosure has occurred only when the auction has taken place. A loan in default should not be identified as a foreclosure.

SCHEDULE 3:

1. Complete Schedule 3 for all servicing activity that you engaged in during the reporting year.
2. There are separate categories for reporting depending upon whether the loan is held in portfolio or not.
3. Include information for loans for which you took the occasional payment while the loan was in transition to an investor. These loans would be considered to be held in portfolio.
4. Loans for which the entity does not hold the note, but for which the servicing rights are held are reported as “Other Mortgage Loans”.
5. Loans that are sub-serviced should be recorded in the following manner:
 - a. The entity that held the servicing rights, but did not actively engage in the taking of payments should report those loans in Schedule 7: Other NH Mortgage Activity.
 - b. The entity that does not hold the servicing rights but is contracted to perform the actual servicing activity should report those loans as “Other Mortgage Loans that were serviced”
6. Loans “to be serviced” in the following year refers to the outstanding loans on record as of December 31 that will continue to be serviced by the entity.
7. The dollar amount of loans “to be serviced” should be reported as the principal amount of the loan(s) that remains outstanding as of December 31.
8. Include gross revenue from the servicing of the loan, such as fees, interest payments, or sale of servicing rights.

SCHEDULE 4:

1. Complete Schedule 4 to report leads sold to other entities.
2. Include gross revenue from the sale of the leads whether or not received on a “per lead” basis or bulk rate.

SCHEDULE 5:

1. Complete Schedule 5 only if acting as a third party to the loan and conducting processing or underwriting activities.
2. Do not include figures here for loans that you are already reporting under Schedule 1.

3. Do not include figures here for loans that you contracted OUT to third party processors.
4. Include gross revenue from payments received for services regardless of whether received directly or through loan proceeds.

SCHEDULE 6:

1. Complete Schedule 6 for all loan modification activity performed
2. A loan modification is “processed” when an application is received (whether or not its considered to be a complete application).
3. Multiple attempts by a consumer to obtain a modification within a calendar year are considered to be separate transactions.
4. Do not report transactions that you did not process yourself (i.e. you contracted that activity out)
5. Do not report transactions that you simply made the final decision on if a separate entity actually did the processing.
6. Include gross revenue from fees received strictly for the modification efforts.
7. Do not include in the gross revenue any interest, fees, late fees, etc obtained for the servicing activity of a loan (which would be reported in Schedule 3), unless those fees are retained by you as payment for modification services.

SCHEDULE 7:

1. Complete Schedule 7 for all other mortgage activity performed that was not captured within the other schedules.
2. Examples of “other mortgage activity” include:
 - a. acting as a non-operating intermediary (i.e. holding servicing rights, but contracting servicing activities to another entity)
 - b. instances when revenue is received for a loan after the loan has been reported to the Department on its appropriate schedule (i.e. the loan was originated and funded 12/30/13, so it was reported for calendar year 2013, but proceeds from the sale of the loan were not received until 2014).
 - c. Co-brokering arrangements between licensed entities in which the loan was not truly originated by you, but you received payment for providing some service in relation to the loan.

MORTGAGE BANKER, BROKER OR SERVICER NH ANNUAL REPORT FORM 397-A-AR

Reporting Period: January 1, 2013 through December 31, 2013

Legal name of licensee/registrant: _____

Trade name (if applicable): _____

Licensee's federal tax ID number: _____ 2013 NH mortgage principal office license number: _____

Contact person regarding this report (this must be the company's duly authorized person who affirms the accuracy, signs and files this report)

Name: _____ Title: _____

Communications: _____
 (Tel. no.) (Fax no.) (Cell) (E-mail Address)

SCHEDULE 1: MORTGAGE ORIGATION AND FUNDING ACTIVITY DURING 2013 (Round dollar amounts to the nearest whole number)

Category	NH FIRST MORTGAGE LOANS			NH SECOND AND OTHER SUBORDINATE MORTGAGE LOANS		
	Number of 1 st Mortgage Loans	Dollar Amount of 1 st Mortgage Loans	2013 NH Gross Revenue 1 st Mortgage Loans	Number of 2 nd & Subordinate	Dollar Amount of 2 nd & Subordinate	2013 NH Gross Revenue 2 nd & Subordinate
Mortgage Loans originated but not funded by the Licensee ("Brokered")		\$	\$		\$	\$
Mortgage Loans funded but not originated by the Licensee ("Wholesale")		\$	\$		\$	\$
Mortgage Loans originated and funded by the Licensee ("Retail")		\$	\$		\$	\$
Totals of (above) all NH 2013 Loans		\$	\$		\$	\$

SCHEDULE 2: MORTGAGE FORECLOSURE ACTIVITY DURING 2013:

Enter the number of NH foreclosures for reporting period: _____

Enter the number of NH loans delinquent (number of days past the payment due date) as of 12/31/2013:

(a) 30-60 days _____ (b) 61-90 days _____ (c) 91-120 days _____ (d) over 120 days _____

SCHEDULE 3: MORTGAGE LOANS SERVICED DURING 2013 AND MORTGAGE LOANS OUTSTANDING AS OF DECEMBER 31, 2013

(Round dollar amounts to the nearest whole number)

Category	SERVICING OF NH FIRST MORTGAGE LOANS			SERVICING OF NH SECOND AND OTHER SUBORDINATE MORTGAGE LOANS		
	Number of NH 1 st Mortgage Loans	Dollar Amount of NH 1 st Mortgage Loans	2013 NH Gross Revenue 1 st Mortgage Loans Serviced	Number of NH 2 nd & Subordinate	Dollar Amount of NH 2 nd & Subordinate	2013 NH Gross Revenue 2 nd & Subordinate Loans Serviced
Mortgage Loans held in portfolio that were serviced during 2013			\$			\$
Other Mortgage Loans that were serviced during 2013			\$			\$
Mortgage Loans held in portfolio at 12/31/13 to be serviced by the licensee/registrant in 2014		\$			\$	
Other Mortgage Loans at 12/31/13 to be serviced by the licensee/registrant in 2014		\$			\$	
Totals			\$			\$

SCHEDULE 4: NH LEADS GENERATED AND SOLD DURING 2013 (LEAD GENERATORS ONLY – SEE DEFINITION ABOVE)

(Round dollar amounts to the nearest whole number)

NUMBER OF NH MORTGAGE LEADS	GROSS REVENUE FROM NH LEADS
	\$

SCHEDULE 5: NH THIRD PARTY PROCESSED LOANS DURING 2013 (LOAN PROCESSORS ONLY – SEE DEFINITION ABOVE)

(Round dollar amounts to the nearest whole number)

NUMBER OF NH MORTGAGES PROCESSED	GROSS REVENUE FROM NH MORTGAGE PROCESSING
	\$

SCHEDULE 6: NH LOAN MODIFICATIONS PROCESSED DURING 2013 (Round dollar amounts to the nearest whole number)

NUMBER OF NH MORTGAGE MODIFICATIONS	GROSS REVENUE FROM NH MORTGAGE MODIFICATION
	\$

SCHEDULE 7: ENTER THE TOTAL GROSS REVENUE FROM ANY OTHER NH MORTGAGE ACTIVITY CONDUCTED DURING 2013

(Round dollar amounts to the nearest whole number)

GROSS REVENUE FROM ANY OTHER NH MORTGAGE ACTIVITY NOT CAPTURED IN SCHEDULES 1 – 5
\$

Please note that pursuant to NH RSA 397-A:10,IV and RSA 397-B:4,IV persons licensed or registered by the NH Banking Department must report and amend their filing(s) for any material changes (including but not limited to change in owners, officers, directors, managers including NH branch managers, address, form of organization, contact information,

AFFIRMATION

The information provided in this report reflects the total amount of mortgage business conducted by the licensee or registrant during 2013 from all business locations, and from any other location or method including the Internet, in making or brokering or servicing mortgage loans.

I subscribe and affirm, under penalty of perjury and under penalty of Unsworn Falsification pursuant to NH RSA 641:3 that the statements made in this report have been examined by me and to the best of my knowledge and belief are true, correct and complete, and that I am duly authorized to submit this report and to execute this affirmation. I understand that any misrepresentation made to the banking department may result in denial or revocation of the license to which this form relates.

I acknowledge on behalf of the licensee that the licensee will retain work papers and other documents used in the preparation of this report and that the licensee will make such records available to the department upon request or examination.

Date: _____

For _____

(Print or type Licensee's name)

By _____

(Print or type name of the authorized signatory)

Signature _____

(Signed under penalty of Unsworn Falsification Pursuant to NH RSA 641:3)

Title _____