

**Course Syllabus**  
**Arizona 8-Hour SAFE Comprehensive: Continuing Education 2011**

**Instructor Name and Contact Information:**

Karen Bohler

Phone: 928-208-1442

Email: [admin@realestateED.com](mailto:admin@realestateED.com) or [instructor@loanoriginatorED.com](mailto:instructor@loanoriginatorED.com)

**Course price: \$119.00**

**Requirements**

Every state-licensed MLO (in any approved status) is required to complete at least 8 hours of NMLS approved education annually beginning the year immediately following completion of PE. Annual CE education must include:

- 3 hours of Federal law,
- 2 hours of ethics (which shall include fraud, consumer protection, and fair lending issues)
- 2 hours of non-traditional mortgage lending,
- 1 hour AZ state-specific education (referred to as an elective).

**Course description**

- The required three hours of federal laws and regulation will be fulfilled by studying the language of the Real Estate Settlement Procedures Act (RESPA) and Regulation Z final rules in Unit 2, the Equal Credit Opportunity Act (ECOA) in Unit 3, and the federal Fair Housing Act in Unit 4.
- The required two hours of ethics will be fulfilled by studying the ethics of RESPA, the Fair Credit Reporting Act, the Home Mortgage Disclosure Act, and record keeping in Unit 5, and predatory lending and partnership in Unit 6.
- The required two hours of training related to lending standards for the nontraditional mortgage product marketplace will be fulfilled by studying nontraditional mortgage lending products in both Unit 7 and Unit 8.
- **The elective hour, Unit 9, will focus on Arizona Specific Mortgage Principles.**

**Learning Objectives for Unit 1: Student Orientation**

- Know the correct web browser settings for the proper function of this course.
- Understand the steps to complete each chapter.
- Know how to review your progress.
- Understand how to communicate with technical support.
- Know your responsibilities as a student.
- Understand the criteria for successful completion of this course.

**Learning Objectives for Unit 2: Real Estate Settlement Procedures Act (RESPA) and Regulation Z Final Rules**

- Discuss congressional findings and purpose as they relate to RESPA.

- Determine the governing bodies that are responsible for RESPA and its enforcement.
- Describe and provide examples of different types of prohibited kickbacks and unearned fees.
- Describe activities that are not prohibited by RESPA.
- Understand what penalties may be enforced for violations of RESPA.
- Explain how the Uniform Settlement Statement (also called HUD-1 Settlement Statement or Settlement Statement) is used.
- Discuss the jurisdiction and limitations of courts in relation to RESPA enforcement.
- Understand the limitations on requirements of advance deposits in escrow accounts.
- Understand the final rules put in place regarding mortgage loan origination compensation.
- Describe prohibited practices for loan officers in regard to mortgage loan origination compensation.
- Explain the safe harbor provision to facilitate compliance with the prohibition on steering

### **Learning Objectives for Unit3: Equal Credit Opportunity Act (ECOA)**

- Understand the scope of prohibition of the Equal Credit Opportunity Act.
- Describe what signatures are needed, according to ECOA, in order to form a valid lien.
- Discuss the civil liability associated with violating ECOA.

### **Learning Objectives for Unit 4: Federal Fair Housing Act**

- Understand the laws developed to prevent discriminatory actions in the real estate industry and related areas to include lending.
- Recognize the protected classes under the federal Fair Housing Act.
- Explain prohibited practices under the federal Fair Housing Act.
- Discuss predatory lending practices.
- Understand the administration and enforcement authority of the federal Fair Housing Act.
- Cite exemptions to the federal Fair Housing Act.

The first required hour of ethics training will be fulfilled by reviewing each section of the Good Faith Estimate and the HUD-1 Settlement Statement, in addition to studying the ethical dilemmas of operating in accordance with the Fair Credit Reporting Act and recordkeeping regulations. The second required hour of ethics training will be fulfilled by examining predatory lending practices and the ethics of partnership.

### **Learning Objectives for Unit 5: Ethics of RESPA, Fair Credit Reporting Act, Home Mortgage Disclosure Act, and Record Keeping**

- Understand how to be compliant with RESPA by properly using the new HUD-1 Settlement Statement and the Good Faith Estimate (GFE)
- Describe the impact the GFE and HUD-1 forms are making on the day-to-day operations of mortgage loan originators.
- Explain how to avoid kickback issues.
- Describe the Fair Credit Reporting Act.
- Discuss credit scores and their impact on a potential borrower's ability to obtain a loan.

- Explain the latest trends regarding homebuyer data collection based on the Home Mortgage Disclosure Act.
- Understand how to be compliant by ensuring that records are secure and that proper retention procedures are followed.

#### **Learning Objectives for Unit 6: Ethics of Predatory Lending and Partnership**

- Define predatory lending practices.
- List tactics used by predatory lenders
- Understand how to protect your reputation.
- Discuss repercussions of predatory actions.
- Explain who mortgage professionals can legally partner with.
- Discuss referrals and relationships with mutual customers.

The required two hours of training in nontraditional mortgage lending products will be fulfilled by detailing the specifics of the following loan products: FHA, DVA, rural farm loans, land contracts, margin loans, and seller carrybacks.

#### **Learning Objectives for Unit 7: Nontraditional Mortgage Lending Products**

- Understand the difference between traditional and nontraditional lending products, and be able to identify the advantages and disadvantages of each.
- Describe the history and derivation of nontraditional lending products.
- Explain Federal Housing Administration (FHA) and Department of Veterans Affairs (DVA/VA) loans to borrowers so they may navigate their way through the myriad offerings available to them.

#### **Learning Objectives for Unit 8: Nontraditional Mortgage Lending Products**

- Understand the origins of private mortgage insurance (PMI), be able to explain PMI to borrowers, and be able to help borrowers make intelligent decisions on its use, or explain alternatives to it.
- Describe the characteristics of rural farm loans, land contracts, margin loans, and seller carrybacks.
- Thoroughly analyze and recommend financing options for potential borrowers that you might have otherwise not considered.

The course will wrap up with one hour of elective education. The elective requirement will be fulfilled by studying options for owners of distressed properties.

#### **Learning Objectives for Unit 9: Arizona-specific Laws And Regulations**

In this chapter, you will learn about Arizona mortgage broker requirements, including experience and recordkeeping requirements. You also will learn about rules relating to both reverse mortgages and foreclosure consultants, along with provisions, processes, and requirements relating to the licensing of appraisers, real estate brokers, and real estate salespersons in Arizona. Finally, you will learn about the consequences associated with discarding and disposing of records containing personal identifying information. By reading the course material, answering progress questions, and taking the unit quiz, you will have a complete understanding of these concepts. At the conclusion of this chapter, you should be able to:

- Discuss Arizona mortgage broker requirements, including experience and recordkeeping requirements.

- Understand rules related to foreclosure consultants, including prohibited acts and practices.
- Discuss Arizona reverse mortgage rules, including prohibited practices and prepayment and repayment conditions.
- Understand Arizona appraiser licensing and certification, the changes implemented to the appraisal process in 2011, and the importance of the relationship between an appraiser and a mortgage loan originator.
- Explain Arizona real estate broker and salesperson licensing, along with the relationships between real estate professionals, mortgage loan originators, and appraisers.
- Discuss the consequences of discarding and disposing of records containing personal identifying information.

Students will complete reading assignments within each unit of the course. Each student's success in achieving the unit's learning objectives will be measured by their correctly answering reading comprehension progress questions presented throughout the content, as well as by their successfully completing a unit review quiz at the end of each unit. Total course comprehension will be measured by the students' successfully completing a final exam. The passing score for all unit review quizzes is 100 percent. The passing score for the final exam is 75 percent. Upon passing the final exam, each student will be given the opportunity to provide feedback about this course.

### **Course authors**

This course material was written and reviewed by the following individuals:

#### *Dyan Guentzel*

- In the mortgage business since 1996
- Owns her own real estate company
- Holds a real estate brokers license
- Member, National Association of REALTORS®
- Holds an insurance producers license

#### *Bob Nielsen*

- In the financial services industry since 1986
- Holds a real estate salesperson license
- Additional certifications: Series 28, Series 63, Series 7

#### *Ron Williams*

- In the mortgage business since 2003
- Owns his own full-service loan and real estate company

#### *Josh Manier*

- In the mortgage business since 2002
- In addition to mortgage origination, holds a limited real estate broker license

#### *Bruce Jordan*

- Member of New York State Bar Association and practiced real estate transaction law for 21 years

- Has held an independent real estate broker license
- Licensed title insurance agent

#### *Shelly North*

- Active in real estate and mortgage industries since 1978
- Instructor in real estate and mortgage industries since 2004
- Currently licensed real estate broker and an active mortgage consultant

### **Contact information**

Bohler Institute for Continuing Education  
3359 Suzie Lane  
Lake Havasu City, AZ 86404  
928-208-1442

### **Required materials**

All course content is presented within the online course. No additional materials are needed.

### **Course structure**

NMLS-course-approval guidelines require us to employ a method of control that prevents the student from finishing the course faster than the number of hours it is approved for (eight hours). To that end, course design features require you to demonstrate mastery of the subject matter in one segment of the course before progressing to the next. Course content is separated into units and then “chunked” into smaller bits, each with a corresponding progress question to assess your knowledge of the subject matter. The progress question for one section must be answered in order to move on to the next section. Each unit ends with a comprehensive unit quiz. You must successfully progress through all reading assignments and content assessments to access the final examination.

### **Course completion**

You will be required to complete all eight hours of education, including all reading comprehension progress questions, unit review quizzes, and a final exam. No course completion certificate will be issued to a student who fails to complete the entire course. *No partial credit will be awarded.*

#### **Steps to complete the course**

**Step One**—Carefully review the *HELP* pages. The majority of the technical support questions we receive are answered in these pages.

**Step Two**—View the unit introduction and review the learning objectives.

**Step Three**—Carefully review each section, reading all the material and answering all the progress questions.

**Step Four**—Take the unit quiz. You must score 100 percent or better to pass unit quizzes.

**Step Five**—When you complete the last unit quiz, you will receive a link to the final exam. You must score *75 percent* or better to pass the final exam and receive credit for the course.

### **Web browser requirements**

This course works best with current Web browsers on both Windows and Macintosh computers. We recommend using the Firefox browser, though the course will operate in Internet Explorer 6 and 7 and Safari. Audio files included in the course will play in the default audio player, which is set by your computer's audio preferences. We recommend Windows Media Player for Microsoft Windows users and QuickTime or RealPlayer for Apple Macintosh users. One of these is probably already on your system. We recommend that you delete/clear your Web browser's temporary Internet files/cache and clear your browser's history before you begin. The following Web browser/Internet settings are required for the proper operation of this course:

- Javascript must be enabled.
- Your browser must be set to accept cookies.
- Any "pop-up killers" running on your system must be disabled.
- The Flash Web browser plug-in is required.

These are usually the default (automatic) settings in your browser and may not need to be changed.

### **Technical support**

Please do not e-mail the instructor about technical support issues. For technical support, e-mail [techsupport@proU.net](mailto:techsupport@proU.net) or call the toll-free technical support line at 877-776-8638 during normal business hours. Also, carefully review the HELP pages. The majority of the technical support questions we receive are answered in these pages.

### **Course timed outline (in minutes)**

#### **UNIT 1: STUDENT ORIENTATION (not timed)**

#### **UNIT 2: REAL ESTATE SETTLEMENT PROCEDURES ACT (RESPA) AND REGULATION Z FINAL RULES**

LEARNING OBJECTIVES AND KEY TERMS .....	10
CONGRESSIONAL FINDINGS AND AUTHORITY OF THE SECRETARY .....	2
PROHIBITION AGAINST KICKBACKS AND UNEARNED FEES (SECTION 8) .....	10
UNIFORM SETTLEMENT STATEMENT .....	8
JURISDICTION OF COURTS .....	5
ESCROW ACCOUNTS AND REQUIRED STATEMENTS .....	5
FINAL RULES ON LOAN ORIGINATOR COMPENSATION .....	5
Unit Review Quiz.....	5

**UNIT 3: EQUAL CREDIT OPPORTUNITY ACT (ECOA)**

LEARNING OBJECTIVES AND KEY TERMS (ECOA § 702).....2  
SCOPE OF PROHIBITION.....20  
PROMULGATION OF REGULATIONS BY BOARD.....5  
RELATION TO STATE LAWS (ECOA § 705).....3  
CIVIL LIABILITY (ECOA § 706).....8  
ADMINISTRATIVE ENFORCEMENT (ECOA § 704).....7  
Unit Review Quiz.....5

**UNIT 4: FEDERAL FAIR HOUSING ACT**

LEARNING OBJECTIVES AND KEY TERMS..... 10  
PURPOSE OF THE FEDERAL FAIR HOUSING ACT.....2  
THE FEDERAL FAIR HOUSING ACT AS IT RELATES TO THE SALE, RENTAL, OR  
LEASE OF RESIDENTIAL REAL ESTATE ..... 10  
**DISCRIMINATION IN REAL ESTATE-RELATED ACTIVITIES..... 7**  
DISCRIMINATION IN BROKERAGE SERVICES.....2  
*DISCRIMINATION IN HOUSING FOR THE DISABLED.....3*  
ADMINISTRATION OF THE FAIR HOUSING ACT .....6  
RECENT FAIR HOUSING ACTIONS.....5  
Unit Review Quiz.....5

**UNIT 5: ETHICS OF RESPA, FAIR CREDIT REPORTING ACT, AND RECORD KEEPING**

LEARNING OBJECTIVES AND KEY TERMS.....3  
THE RESPONSIBILITY AND BURDEN OF RESPA.....20  
THE FAIR CREDIT REPORTING ACT.....7  
HOME MORTGAGE DISCLOSURE ACT..... 10  
RECORD PRIVACY AND SECURITY.....5  
Unit Review Quiz.....5

**UNIT 6: ETHICS OF PREDATORY LENDING AND PARTNERSHIP**

LEARNING OBJECTIVES AND KEY TERMS.....3  
PREDATORY LENDING .....32  
THE ETHICS OF PARTNERSHIP..... 10  
Unit Review Quiz.....5

**UNIT 7: NONTRADITIONAL MORTGAGE LENDING PRODUCTS**

LEARNING OBJECTIVES AND KEY TERMS.....2  
UNDERSTANDING THE DIFFERENCE BETWEEN TRADITIONAL AND  
NONTRADITIONAL MORTGAGE PRODUCTS .....8  
THE HISTORY OF NONTRADITIONAL MORTGAGE LOANS .....5  
FHA LOANS..... 15  
DVA LOANS (DEPARTMENT OF VETERANS AFFAIRS, FORMERLY VETERANS  
ADMINISTRATION [VA])..... 15  
Unit Review Quiz.....5

**UNIT 8: NONTRADITIONAL MORTGAGE LENDING PRODUCTS**

LEARNING OBJECTIVES AND KEY TERMS ..... 2  
MORTGAGE INSURANCE PREMIUMS (MIP) ..... 8  
RURAL HOUSING LOANS ..... 5  
ALTERNATE FINANCING ..... 25  
CURRENT TRENDS IN MORTGAGE LENDING ..... 5  
Unit Review Quiz ..... 5

**UNIT 9: ARIZONA SPECIFIC LAWS AND REGULATIONS**

LEARNING OBJECTIVES AND KEY WORDS ..... 2  
MORTGAGE BROKER REQUIREMENTS ..... 10  
REVERSE MORTGAGES ..... 10  
APPRAISER LICENSING AND CERTIFICATION ..... 10  
REAL ESTATE BROKER AND SALESPERSON LICENSING ..... 8  
RECORD DISCARD AND DISPOSAL ..... 5  
Unit Review Quiz ..... 5

**Final Exam** ..... 25