

507 S. Grand Ave.

Lansing, MI 48933

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OFIS Adding 19 Field Examiners for Mortgage Lenders

The MBA supports ongoing efforts to increase the number of state OFIS examiners responsible for reviewing the soundness on nonbank mortgage industry practices.

“Adding additional OFIS staff that will allow the regular examination of nonbank mortgage companies is critical to resolving the mortgage problems plaguing our state today,” Dennis Koons, MBA president and CEO, said.

The 34 new positions will primarily focus on the examination of the lending practices of mortgage brokers. They will include 19 field examiners who will inspect the documentation and practices of the mortgage brokers who are currently not routinely scrutinized by the state.

Federal Reserve Board Issues Proposed Rules Relating to “Higher-Priced Mortgages”

The Board of Governors of the Federal Reserve issued proposed rules that would establish a new category of “higher-priced mortgages.” This would include those with an annual percentage rate that exceeds the yield on Treasury securities of comparable maturity by at least three percentage points for first-lien loans, or five percentage points for subordinate-lien loans.

“This is an important proposal that will make a significant difference in protecting mortgage borrowers and potential homeowners,” ABA President and CEO Ed Yingling said. “Regulations of this kind must be measured by their ultimate impact on financial services customers.”

The proposal will be published in the Federal Register for comment in the near future. Click [here](#) for further details.

New MSHDA Save the Dream Program Offers Opportunities for Banks

MSHDA is proposing two new refinance loan programs, an ARM Assist Refinance and Rescue Refinance program. The ARM Assist Refinance is designed to assist individuals with adjustable rate mortgages in obtaining a fixed rate loan. And the MSHDA Rescue Refinance is for those with a delinquency on their mortgage where a loss mitigation strategy aimed at reinstating their existing mortgage is not plausible. Both options offer opportunities for banks to work with MSHDA in obtaining these programs for customers. Legislation authorizing these programs is currently in the Michigan House.

Advocacy Report/ Grassroots News

Legislators and Lenders Day March 19-20

Legislators and Lenders Day will update MBA member bankers on key 2008 legislative issues facing our industry. This event is designed to help bankers become familiar with the Michigan legislative process. Bankers will meet with key legislative leaders, learn about political grassroots involvement and see how state government affects your industry.

Some topics to be discussed include: budgets, taxes and the economy, state of the economy, the future of Michigan, Senate reaction to the Michigan mortgage crisis, major banking issues being discussed in Lansing and effective lobbying.

The MBA is looking for bankers interested in participating in this event. For more information, contact Jordan Kingdon at 517-342-9073 or jkingdon@mibankers.com.

Department of Treasury Revenue Administrative Bulletins

- Click [here](#) to read a bulletin on the SBT.
- Click [here](#) to read a bulletin on the MBT.

ABA Offers Resources for Bankers and Consumers with Subprime Mortgage Questions

The ABA has created a Web page that contains information relating to the voluntary rate freeze plan announced in early December by the Bush Administration. To visit the page, click [here](#).

ABA and FarmerMac Renew Alliance

The ABA and the Federal Agricultural Mortgage Corp. have renewed their exclusive agreement that provides ABA member banks pricing discounts for select FarmerMac products and AgPower customized loan packaging services. For more information on the alliance click [here](#).

ABA/ACB Merger Brings Real Estate Lending Conference to ABA Members

Attend the premier national real estate lending conference for community banks and learn how to compete and win in the dynamic real estate market of today. This conference will provide a forum to discuss critical issues and timely trends affecting residential and commercial real estate lending. You'll learn about best practices, risk management process enhancements, examination trends, internet based mortgage technologies and more. For more information, click [here](#).

Advocacy Report/ Grassroots News

HOPE NOW Alliance Seeks to Assist Subprime Borrowers Facing Payment Problems

ABA has joined HOPE NOW in their efforts to help homeowners in need of financial help. HOPE NOW is an alliance among counselors, services, investors and other mortgage market participants to maximize outreach efforts to at-risk homeowners and help them stay in their homes.

2008 MiBankPAC is Underway

Be sure to contribute to the 2008 MiBankPAC campaign to help support legislators working to help our industry. Contact Jordan Kingdon at 517-342-9073 or jkingdon@mibankers.com for more information.

Upcoming Grassroots Meetings

Contact Jordan Kingdon at 517-342-9073 or jkingdon@mibankers.com if you're interested in attending or hosting a grassroots meeting.

- January 28, 10:30 a.m. Congresswoman Candice Miller, Shelby Twp. District office
- February 13, 8:00 a.m. Representative Barb Byrum
Representative Mark Meadows, Independent Bank, East Lansing
- February 21, 1:15 p.m. Congressman Fred Upton
Peoples Federal Savings Bank, Three Rivers
- February Senator Michelle McManus, Chemical Bank, Cadillac
Senator Jason Allen, Old Mission Bank, Sault Ste. Marie
Representative Gary McDowell, Sault Ste. Marie TBD
Senate Majority Leader Mike Bishop, Flagstar Bank, Troy
Congressman Dave Camp, Traverse City, TBD
Congressman Dave Camp, Midland, TBD
Senator Mark Schauer, Flagstar Bank, Jackson
Senator Mike Prusi, Range Bank, Negaunee
Congressman Bart Stupak, TBD
- March 19-20 MBA Legislators and Lenders Day, Downtown Lansing