



8 Hour SAFE Comprehensive Compliance in Action Continuing Education Course Syllabus

Course Description and Purpose

This course satisfies the annual continuing education requirements for mortgage loan originators set forth by the SAFE Act (Secure and Fair Enforcement Mortgage Licensing Act of 2008). The course covers the required two-hours on nontraditional lending by discussing suitability of nontraditional loans v. traditional loans for particular types of buyers. The required two hours of Ethics instruction provides a refresher of ethics, fair lending, fraud, and consumer protection topics. Case studies on ethics/fair lending, appraisal/mortgage fraud and RESPA violations provide the learner with opportunity for practical application of knowledge on these topics. The three- hour federal law requirement focuses on a review of federal laws that prohibit discrimination, including FHA, ECOA, HMDA, and CRA. Recent industry trends, updates, and issues related to these laws are included. The one-hour elective focuses on analysis of appraisal reports with attention paid to details mortgage loan originators should review.

Course Provider

Gold Coast Professional Schools
5600 Hiatus Road
Tamarac, FL 33321
(800) 732-9140

Instructor Contact Information

Instructor: Dan Flietstra
Email: dflietstra@goldcoastschools.com
Phone number: (954) 830-2578

Instructor Background

- Mortgage License Instructor 1994 – present
- Qualified expert witness 1994 – present (Dade county circuit court Re: RESPA)
- Chairman of Education Committee for Broward Chapter of Florida Association of Mortgage Professionals (FAMP), 2012 - present
- Mortgage Loan Originator License, 2011 - present
- Florida Mortgage Broker License, 1993 – 2011
- Florida Mortgage Broker Business License, 2007 – 2010
- Florida Mortgage Lender License, 1994 – 2007
- Author of Gold Coast Professional School 2011 8-Hour Annual MLO Fundamentals: Florida SAFE Act Comprehensive Course (course number 2402).
- Title Agent 1996 - 2006

Course Dates, Times, Locations:

Mortgage Loan Originator Continuing Education Course				
1 Day Days Vary 9:00a – 6:00p				
Doral	North Dade	Broward	Boca Raton	Lantana
Oct 8	Oct 6	Oct 15	Oct 2	Oct 27
Nov 5	Dec 3	Nov 1	Nov 3	Nov 14
Nov 30		Nov 15	Dec 5	Dec 14
Dec 21		Dec 15		

Course Learning Objectives

After completing this course, you will be able to:

- Differentiate between traditional and nontraditional mortgage products.
- Review Dodd-Frank Act including the amended update to TILA provision.
- Discuss buyer needs and qualifications related to loan suitability.
- Explain why a traditional loan may not be the best choice for particular buyers.
- Identify and describe nontraditional products suitable for different types of buyers.
- Define ethics and recognize ethical standards of practice.
- Differentiate between ethical and unethical behavior.
- Apply your knowledge of ethics and fair lending in a case study involving discrimination in action.
- Define fraud and differentiate mortgage fraud.
- Explain fraud for profit and identify types of fraud schemes.
- Explain fraud for property and identify types of fraud schemes.
- Apply your knowledge of ethics and fraud in answering questions about a case study involving fraud in action.
- Describe the creation and purpose of the Consumer Financial Protection Bureau (CFPB) including its organizational structure.
- Identify the consumer financial laws supervised and enforced by the CFPB.
- Define and describe the purpose of the Real Estate Settlement Procedures Act.
- Discuss required disclosures and prohibited practices under RESPA.
- Apply your knowledge of ethics, consumer protection, and RESPA law in a case study involving RESPA violations.
- Define discrimination and identify acts of discrimination.
- Discuss recent updates to fair housing law and fair lending laws.
- Identify key federal laws prohibiting discrimination, including:
 - Fair Housing Act
 - Equal Credit Opportunity Act (ECOA)
 - Home Mortgage Disclosure Act (HMDA)
 - Community Reinvestment Act (CRA)
- Explain requirements for compliance with federal laws prohibiting discrimination, including disclosures and advertising guidelines.
- Discuss required actions and best practices mortgage loan originators must adhere to avoid violations.
- Define an appraisal and describe the role of appraisers in a loan transaction.
- Explain the appraisal procedure, including the three appraisal approaches.
- Explain the purpose of an appraisal report and the importance of appraisal analysis.
- Recognize the sections on the Uniform Residential Appraisal Report (URAR).

- Discuss specific items on the URAR form the mortgage loan originator should review.
- Recognize which information on an appraisal report is and is not disputable.
- Determine where to look for errors when reviewing an appraisal and where to look for newer and better information.

Course Materials

The core instructional text for this course: 8 Hour SAFE Comprehensive Compliance in Action: Student Workbook.

Course Expectations

Attendance: Attendance is mandatory to receive course credit.

Classroom Policies:

- Active participation is required in this course. Students are expected to be actively engaged with the material, listen to and follow the directions of the facilitator (instructor), participate in group discussions and activities, and complete all student workbook activities as assigned. This course includes Internet references and resources and offers optional opportunities for enrichment activities. Internet access is recommended and online activities may be incorporated if computer network access is available on site.
- Students are expected to be respectful when interacting with the instructor and other students in the classroom and refrain from inappropriate language or derogatory comments.
- Cell phones should be on mute or turned off.
- Tape recorders are not permitted during class lecture sessions.

Course Completion

Before your completion status can be transmitted to the Nationwide Mortgage Licensing System & Registry (NMLS), you are required to:

- Spend the minimum required amount of time in the course.
- Complete all the required activities.
- Pass the course final exam with a score of at least **70%**.
- **A student who does not pass the final exam (Exam 1) on the first try, may attempt to pass a retake exam (Exam 2). The retake exam may be administered immediately after the class is dismissed. If the student fails the retake exam, the first exam may be re-taken one more time. If the student does not pass the retake of the first exam within 30 minutes after the allotted class time has ended, the student is required to retake the course.**

Course Evaluation

At the conclusion of the course, you will be asked to complete a Course Evaluation. If you do not complete all of the requirements, including the course evaluation, you will not get credit for this course and no results will be communicated to NMLS.

Course Outline

Course Introduction

Estimated Time	5 minutes
Topics	<ul style="list-style-type: none"> • Course Materials • Student Expectations

Module 1: Nontraditional Lending: Loan Suitability

Estimated Time	100 minutes
Module Topics	<ul style="list-style-type: none"> • Unit 1 Traditional vs. Nontraditional Products • Unit 2 Understanding Buyer Needs and Qualifications related to Loan Suitability • Unit 3 Transient Residency • Unit 4 Erratic Income • Unit 5 Falling Interest Rates • Unit 6 Access to Capital • Unit 7 Fixed Income and/or Retirement • Unit 8 Case Study 8.1: Role Play • Module Review
ACTIVITY	<ul style="list-style-type: none"> • Pre-Test Student Workbook Activity
Unit 1 Topics Traditional vs. Nontraditional Products	<ul style="list-style-type: none"> • What's the Difference? • Traditional Loan • Nontraditional Loan • Key Definitions • Key Law: Dodd-Frank Act • Key Provisions • Residential Mortgage Loan • Prohibition of Steering Incentives • Key Definition: Qualified Mortgage • Other Anti-Steering Provisions
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
Unit 2 Topics Understanding Buyer Needs and Qualifications Related to Loan Suitability	<ul style="list-style-type: none"> • Different Types of Buyers. • Industry Trends and Regulations • Borrower Qualification Standards • Issues of Loan Suitability
ACTIVITY	<ul style="list-style-type: none"> • Think About It Activity • Case Study Activity 2.1

Module 1: Nontraditional Lending: Loan Suitability (cont.)

<p>Unit 3 Topics Transient Residency</p>	<ul style="list-style-type: none"> • Types of buyers likely to move • Nontraditional Loan Suitability • Types of Nontraditional Products • Hybrid ARM product • Regular ARM product • No Fee Loan product
ACTIVITY	<ul style="list-style-type: none"> • Apply Your Knowledge Activity
<p>Unit 4 Topics Erratic Income</p>	<ul style="list-style-type: none"> • Types of buyers with erratic income • Nontraditional Loan Suitability • Types of Nontraditional Products • Interest Only loan
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
<p>Unit 5 Topics Falling Interest Rates</p>	<ul style="list-style-type: none"> • Interest Rates • Nontraditional Loan Suitability • Types of Nontraditional Products • Regular ARM • Convertible ARM
ACTIVITY	<ul style="list-style-type: none"> • Discussion Question Activity
<p>Unit 6 Topics Access to Capital</p>	<ul style="list-style-type: none"> • Types of Buyers Needing Access to Capital • Nontraditional Loan Suitability • Types of Nontraditional Products • HELOC: Line of Credit • HELOC: Draw Period • Key Law • Law Provisions
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions • Discussion Question
<p>Unit 7 Fixed Income and/or Retirement</p>	<ul style="list-style-type: none"> • Older Homeowner on Fixed income • Nontraditional Loan Suitability • Types of Nontraditional Products • Reverse Mortgage • Key Law • Borrowers Planning on Retirement • Characteristics • Types of Nontraditional Products • Short Term Loan
ACTIVITY	<ul style="list-style-type: none"> • Apply Your Knowledge Activity

Module 1: Nontraditional Lending: Loan Suitability (cont.)

Unit 8 Nontraditional Lending Best Practices Case Study	<ul style="list-style-type: none"> • Case Study 8.1: Loan Suitability Role Play
End of Module ACTIVITY	<ul style="list-style-type: none"> • Matching Exercise Activity • Module Review Checklist • Key Terms Review • Module Review Questions
BREAK	10 minutes

Module 2: Ethics, Fraud, and Consumer Protection: Ripped from the Headlines

Estimated Time	100 minutes
Module Topics	<ul style="list-style-type: none"> • Unit 1 Ethics Refresher • Unit 2 Case of Discrimination • Unit 3 Fraud Review • Unit 4 Fraud in Action: Case of C. Y. Knott • Unit 5 Consumer Protection Update • Unit 6 RESPA Compliance • Unit 7 RESPA Violations • Module Review
ACTIVITY	<ul style="list-style-type: none"> • Pre-Test Student Workbook Activity
Unit 1 Topics Ethics Refresher	<ul style="list-style-type: none"> • What is Ethics? • NAMB: Code of Ethics • Honesty and Integrity • Fair and Equal Treatment: It's the Law • Reasonable Care and Skill • Professional Conduct • Honesty in Advertising • Truth in Lending • Confidentiality • Customer Information • Privacy and Security Matters • Compliance with the Law • Staying Current • Disclosure of Financial Interest • Conflicts of Interest • Unethical Behavior • Ethical Behavior • Penalties for Unethical Behavior

Module 2: Ethics, Fraud, and Consumer Protection: Ripped from the Headlines (cont.)

ACTIVITY	<ul style="list-style-type: none"> • Think About It Activity • Apply Your Knowledge Activity • Quick Check Questions
Unit 2 Topics A Case of Discrimination	<ul style="list-style-type: none"> • The Countrywide Settlement
ACTIVITY	<ul style="list-style-type: none"> • Reference-Based Case Study
Unit 3 Topics Fraud	<ul style="list-style-type: none"> • What is Fraud? • Actual Fraud • Constructive Fraud • What is Mortgage Fraud? • Fraud for Profit • Types of Fraud Schemes • Industry Insiders • About Collusion • Fraud for Property • Types of Fraud Schemes • Contributing Factors to Mortgage Fraud • Who is Affected By Mortgage Fraud
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
Unit 4 Topics Fraud in Action	<ul style="list-style-type: none"> • Case of C.Y. Knott
ACTIVITY	<ul style="list-style-type: none"> • Situational-Based Case Study
Unit 5 Topics Consumer Protection	<ul style="list-style-type: none"> • The Consumer Financial Protection Bureau (CFPB) • Dodd-Frank Act • Purpose of the CFPB • Mission of the CFPB • Consumer Financial Laws • Six Divisions of the CFPB
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions

Module 2: Ethics, Fraud, and Consumer Protection: Ripped from the Headlines (cont.)

Unit 6 Topics RESPA Compliance	<ul style="list-style-type: none"> • Types of Buyers Needing Access to Capital • Real Estate Settlement Procedures Act (RESPA) Law • Required Disclosures Under RESPA • Prohibited Practices • What is a Referral? • Affiliated Business Relationships • Affiliated Business Arrangement (AfBA) Disclosure • Required Use • What is a Kickback? • RESPA Advertising Guidelines • RESPA Enforcement
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
Unit 7 RESPA Violation	<ul style="list-style-type: none"> • Case of Fidelity National Financial, Inc (FNF)
ACTIVITY	<ul style="list-style-type: none"> • Reference-Based Case Study
End of Module ACTIVITY	<ul style="list-style-type: none"> • Module Review Checklist • Key Terms Review • Module Review Questions
Lunch	60 minutes

Module 3: Federal Law Update: Laws Prohibiting Discrimination

Estimated Time	150 minutes
Module Topics	<ul style="list-style-type: none"> • Unit 1 Federal Laws Prohibiting Discrimination: Overview • Unit 2 Federal Laws Prohibiting Discrimination: Updates • Unit 3 Fair Housing Act (FHA) in Action • Unit 4 FHA: Requirements for Compliance • Unit 5 Fair Housing Law: Best Practices Case Study • Unit 6 Equal Credit Opportunity Act (ECOA) in Action • Unit 7: ECOA: Requirements for Compliance • Unit 8: Home Mortgage Disclosure Act (HMDA) in Action • Unit 9: HMDA: Requirements for Compliance • Unit 10: Community Reinvestment Act (CRA) in Action • Unit 11: CRA: Requirements for Compliance • Unit 12: Fair Lending Law: Best Practices Case Study • Module Review
ACTIVITY	<ul style="list-style-type: none"> • Pre-Test Student Workbook Activity

Module 3: Federal Law Update: Laws Prohibiting Discrimination (cont.)

<p>Unit 1 Topics Traditional vs. Nontraditional Products</p>	<ul style="list-style-type: none"> • What is Discrimination? • Fair Housing Laws <ul style="list-style-type: none"> • Fair Housing Act • Fair Lending Laws <ul style="list-style-type: none"> • Equal Credit Opportunity Act (ECOA) • Home Mortgage Disclosure Act (HMDA) • Community Reinvestment Act (CRA) • Key Definitions • ECOA: Enforcement • HMDA: Implementation and Enforcement • CRA: Administration and Coordination • Requirements for Compliance <ul style="list-style-type: none"> • Actions • Disclosures • Advertising • Best Practices • Prohibited Acts
<p>ACTIVITY</p>	<ul style="list-style-type: none"> • Quick Check Questions
<p>Unit 2 Topics Federal Laws Prohibiting Discrimination: Updates</p>	<ul style="list-style-type: none"> • Antidiscrimination: What's the Current Status? • Fair Housing Law: Updates • ECOA Law: Updates • HMDA: Updates • CRA: Recent Updates
<p>ACTIVITY</p>	<ul style="list-style-type: none"> • Read Article and Respond Activity • Investigate Further Internet Activity (Optional)
<p>Unit 3 Topics Fair Housing Act in Action</p>	<ul style="list-style-type: none"> • Fair Housing Act • Definition: Purpose of the Law • Description: History and Enforcement • Key Provisions for Mortgage Lending • Protected Classes • State and Local Fair Housing Legislation • Additional Protected Classes • Special Exemptions • Federal Fair Housing Act Guidelines for Advertising
<p>ACTIVITY</p>	<ul style="list-style-type: none"> • Quick Check Questions
<p>Unit 4 Topics Fair Housing Act: Requirements for Compliance</p>	<ul style="list-style-type: none"> • Key Prohibitions • Required Actions • Required Disclosure • Types of Violations • Penalties for Violations
<p>ACTIVITY</p>	<ul style="list-style-type: none"> • Apply Your Knowledge Activity

Module 3: Federal Law Update: Laws Prohibiting Discrimination (cont.)

Unit 5 Topics Fair Housing Law: Best Practices Case Study	<ul style="list-style-type: none"> • Case Study 5.1
ACTIVITY	<ul style="list-style-type: none"> • Multi-Part Situational Case Study
BREAK	10 minutes
Unit 6 Topics Equal Credit Opportunity Act (ECOA) in Action	<ul style="list-style-type: none"> • Definition: Purpose of the Law • Description: History and Enforcement • ECOA: Key Provisions • ECOA: Key Protections • ECOA: About Evaluation • ECOA: Other Consumer Rights • Permissible/Impermissible Questions
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
Unit 7 ECOA: Requirements for Compliance	<ul style="list-style-type: none"> • Key Prohibitions • Required Consumer Disclosure • Required Adverse Action Disclosure • Copies of Appraisal Report • Enforcement/Violations
ACTIVITY	<ul style="list-style-type: none"> • Apply Your Knowledge Activity
Unit 8 Topics Home Mortgage Disclosure Act (HMDA) in Action	<ul style="list-style-type: none"> • Home Mortgage Disclosure Act • Definition and Purpose of HMDA • Implementation and Enforcement • Key Features/Provisions
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions
Unit 9 HMDA: Requirements for Compliance	<ul style="list-style-type: none"> • Required Actions • Loan Application Register (LAR) • Required Disclosures • Discrimination Patterns Revealed in HMDA Data • Common Violations
ACTIVITY	<ul style="list-style-type: none"> • Discussion Question Activity
Unit 10 Topics Community Reinvestment Act (CRA) in Action	<ul style="list-style-type: none"> • CRA Definition • CRA: Purpose of the Law • CRA: History • Administration and Coordination
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions

Module 3: Federal Law Update: Laws Prohibiting Discrimination (cont.)

Unit 11 CRA: Requirements for Compliance	<ul style="list-style-type: none"> • Required Actions • CRA: Lending Test • CRA: Service Test • CRA: Written Evaluation • CRA: Performance Ratings
ACTIVITY	<ul style="list-style-type: none"> • Discussion Question Activity
Unit 12 Fair Lending Law: Best Practices Case Study	<ul style="list-style-type: none"> • Case Study 12.1
ACTIVITY	<ul style="list-style-type: none"> • Multi-Part Situational Case Study
End of Module ACTIVITY	<ul style="list-style-type: none"> • Module Review Checklist • Key Terms Review • Module Review Questions
BREAK	5 minutes

Module 4: Appraisal Analysis for Mortgage Loan Originators

Estimated Time	50 minutes
Module Topics	<ul style="list-style-type: none"> • Unit 1 What is an Appraisal? • Unit 2 How To Review an Appraisal • Unit 3 Reasons to Dispute An Appraisal • Unit 4 Appraisal Case Study • Module Review
ACTIVITY	<ul style="list-style-type: none"> • Pre-Test Student Workbook Activity
Unit 1 Topics Traditional vs. Nontraditional Products	<ul style="list-style-type: none"> • Key Definitions: What is an Appraisal? • Appraisers • Appraisal Procedure • Appraisal Approaches • Sales Comparison Approach • Cost Approach • Income Approach • Dodd-Frank Act: Appraisal Activities • Appraisal Report • Uniform Residential Appraisal Report Form (URAR) • Appraiser Fees

Module 4: Appraisal Analysis for Mortgage Loan Originators (cont.)

ACTIVITY	<ul style="list-style-type: none"> • Discussion Questions • Read Article and Respond Activity • Quick Check Questions • Matching Exercise Activity
<p>Unit 2 Topics How To Review an Appraisal</p>	<ul style="list-style-type: none"> • Reviewing the Appraisal • Examining the Appraisal Form • Uniform Residential Appraisal Report (URAR) Form • Uniform Residential Appraisal Report (URAR) Form Sections <ul style="list-style-type: none"> ○ Subject ○ Contract ○ Neighborhood ○ Site ○ Improvements ○ Sales Comparison Approach • Neighborhood on the URAR Form (Fair Housing Laws) • Adjustments in the Sales Comparison Approach • Prior Sales of the Subject and Comparable Properties • Indicated Value by the Sales Comparison Approach <ul style="list-style-type: none"> ○ Reconciliation ○ Additional Comments ○ Cost Approach ○ Income Approach ○ Appraiser’s Certification • Required Exhibits • Market Conditions Addendum • What The MLO Should Review <ul style="list-style-type: none"> ○ Photos ○ Location Map ○ Text ○ Comparable Sales ○ Adjustments
ACTIVITY	<ul style="list-style-type: none"> • Quick Check Questions • Key Terms Matching Exercise

Module 4: Appraisal Analysis for Mortgage Loan Originators (cont.)

Unit 3 Topics Reasons to Dispute an Appraisal	<ul style="list-style-type: none"> • The Role of the Mortgage Loan Originator • Low Appraisals • Current Trends • An Ounce of Prevention • Information Usually Not Disputable • Information That May Be Disputable • What To Do • Stick To The Facts • Five Most Common Errors • Other Common Errors • Finding Newer Better Information
ACTIVITY	<ul style="list-style-type: none"> • Apply Your Knowledge Activity
Unit 4 Topics Appraisal Best Practices Case Study	<ul style="list-style-type: none"> • Case Study 4.1: Prudence’s Low Appraisal
ACTIVITY	<ul style="list-style-type: none"> • Multi-Part Situational Case Study
End of Module ACTIVITY	<ul style="list-style-type: none"> • Module Review Checklist • Key Terms Review • Module Review Questions
BREAK	5 minutes

Final Exam and Course Evaluation

Estimated Time	5 minutes
Final Exam	Comprehensive 25 multiple-choice questions; passing score, 70%
Retake Exam	An alternate 25-multiple choice questions, passing score of 70%, is available in the event a student fails to pass the course final exam. The retake exam may be administered immediately after the class is dismissed. If the student fails the retake exam, the first exam may be re-taken one more time. If the student does not pass the retake of the first exam within 30 minutes after the allotted class time has ended, it is recommended that the student retake the course.
Survey	Complete a course evaluation