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Regulation Finally Reaches Mortgage Industry

Ann Arbor, MI July 28, 2008 – One full year after the credit crisis began, the government is finally getting around to regulating the mortgage industry. The new housing bill that just passed Congress requires background checks, testing, registration in a national database and annual continuing education requirements for all individual mortgage bankers and brokers. “The government is finally paying attention to what we’ve been advocating for years,” said Gibran Nicholas, Chairman of the CMPS Institute, an organization that certifies mortgage bankers and brokers.

Groups such as the Mortgage Bankers Association have recently issued policy statements that suggest that bankers should not be required to adhere to the same standards as brokers. The thought among these groups is that consumers count on brokers for advice but don’t count on bankers for advice. “The fact of the matter is that buying a home or refinancing a mortgage is a complex transaction,” said Nicholas. “Home owners and buyers absolutely rely on their individual bankers and brokers to give them mortgage-related advice because consumers often have no education or experience in this area. This means that consumers are vulnerable, and both brokers and bankers should be held to equally high standards of ethics and professional responsibility.”

Unlike other proposals that came before it, the housing bill requires all individual loan originators (including both bankers and brokers) to adhere to licensing and registration standards. The legislation comes just weeks after the [Federal Reserve instituted new regulations to combat predatory lending practices](#).

Members of the press can learn more about the CMPS® certification, the Housing Bill (including its effects on consumers and the mortgage industry), the Fed’s new mortgage rules and other current events in the mortgage industry by attending the upcoming CMPS event in New York City, July 28-30, 2008. The main presenter will be CMPS Institute Chairman Gibran Nicholas, and there will be a special real estate market forecast delivered by Dr. Lawrence Yun, chief economist of the National Association of Realtors. The entire event is open to the press, who can request complimentary attendance by registering here: <http://www.cmps institute.org/public/forecast>.

About CMPS Institute: CMPS is a training, examination, certification and ongoing membership program for financial professionals who provide mortgage and real estate equity advice. Recognized for its preeminence within the industry, the CMPS curriculum represents the core knowledge expected of

residential mortgage advisors regardless of the diversity of specializations within the industry. Over 5,500 financial professionals have gone through the program since its launch in 2005. For more information or to find a certified professional near you, please visit www.CMPSInstitute.org or call 888.608.9800.