

Mortgage Brokers Practices Act RCW 19.146 and WAC 208-660

1. Three examples of those exempt from licensing as a mortgage broker in Washington State are:
 - a. Attorneys principally engaged in mortgage lending, paralegals, superior court clerks.
 - b. Mortgage bankers, savings and loan associations and national banks.**
 - c. Real estate agents arranging financing for buyers, one who assists a person in selling a loan in the secondary market, escrow workers engaged in funding.
 - d. All of the above.

Answer: All other types of mortgage lenders are exempt from the MBPA.

2. A mortgage broker is allowed to deposit his/her own funds into a borrower trust account.
 - a. True**
 - b. False

Answer: Under certain specific conditions which are treated later.

3. A mortgage broker is responsible for providing the initial TILA pre-disclosure form to a customer within three days of loan application.
 - a. True**
 - b. False

Answer: To make clear that the lender provides the final TIL using the broker's information from the GFE so the GFE has to be good and authentic.

4. Four conditions under which mortgage brokers may solicit fees for third-party providers are (1) The mortgage broker identifies in writing prior to the acceptance of any fees the third party provider of goods and services for which the fees are collected; (2) The broker refunds any fees not used; (3) The fees are deposited in the broker's trust account; (4) The broker does not charge more than the actual cost of services;
 - a. True**
 - b. False

Answer: See RCW 19.146.020

5. There must be a legally binding commitment before any third party fees are collected from customers.
 - a. True
 - b. False**

Answer: You may collect third party fees prior to a commitment.

6. When may a mortgage broker deposit his own funds into the trust account of a borrower?
 - a. Never
 - b. When there are insufficient funds to pay third party charges.**
 - c. Only when permission of the Director is obtained in advance.

Answer: WAC 208-660-410-11

7. A mortgage broker may receive reimbursement from a borrower's trust account when