STATE OF ALABAMA
STATE BANKING DEPARTMENT
BUREAU OF LOANS
(NOT SUBJECT TO APA)
ADMINISTRATIVE CODE

CHAPTER 155-2-2
ALABAMA CONSUMER CREDIT ACT REGULATIONS

155-2-2-.18 Mortgage Loan Modification.

(1) Any person engaged in the business of providing consumer mortgage loan modification services for loans secured by residential real property located in the State of Alabama, for compensation, is required to be licensed under Chapter 19 or Chapter 25 of Title 5 of the Code of Alabama unless otherwise exempt from licensing under Chapter 19 and Chapter 25, as applicable. Any consumer mortgage loan modification service provider licensed under the Mortgage Brokers Licensing Act or Alabama Consumer Credit Act is allowed to charge and collect a fee of not more than $500.00 for consumer mortgage loan modification services. No part of this fee may be paid to the mortgagee or person related to the mortgagee. No fee charged by a loan modification service provider greater than $500.00 is permitted or considered bona fide and reasonable under Section 5-19-4(f). Attorneys acting in the capacity of attorney for the borrower and not attorney for the mortgage loan modification Service provider are not subject to this regulation. Mortgagees on loans that are being modified are not engaged in the business of providing consumer mortgage loan modification services under this regulation.

Author: W. Mark Anderson III, Deputy General Counsel
Statutory Authority: Code of Alabama 1975, Sections 5-19-4(f)(6), 5-19-21(b)(1) and 5-25-13(b)(1)
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