



## 20-Hour CA-DBO SAFE Comprehensive Course Syllabus

**Course Hours:** 20

**Instructional Mode:** Distance Education

### Instructor

See the **Introduce Yourself** Discussion module in the online course for information about your instructor.

### Learning Resources

- *Mortgage Loan Originator*
- *2-Hour CA-DBO SAFE Mortgage Law*

### Course Description

Allied's Mortgage Loan Originator SAFE Core course is a 18-hour online prelicensing course. It is designed to satisfy all of the pre-licensure education requirements of the SAFE Act. The course includes 3 hours of federal laws and regulations, which includes the TILA-RESPA Rule; 3 hours of ethics, which includes instruction on fraud, consumer protection, and fair lending issues; and 2 hours of training related to lending standards for the nontraditional mortgage product marketplace. Additionally, the course includes 2 hours of CA-DBO specific agency regulations. The remaining 10 hours cover loan products and programs, underwriting, and settlement procedures.

### Course Outcomes

After completing this course, you should be able to:

- 0 Recognize course policies and elements of the course schedule.
- 1 Recall the purpose of the SAFE Act and indicate the agencies with regulatory authority over the mortgage industry.
- 2 Recall fair lending laws and specify the consumer protections they each provide.
- 3 Identify and differentiate among various loan products and loan programs.
- 4 Identify the characteristics of predatory lending and mortgage fraud.
- 5 Indicate the steps in the mortgage lending process from application through funding and closing.
6. Differentiate among the types of mortgage loan originator licenses in California and recall the requirements for CRMLA licenses.
7. Recall the purpose of the CFLL and identify the types and requirements for CFLL licenses.

### Study Guide

The course is divided into six topic-related sections. In general, each section's concepts and material build cumulatively. As such, the course is set in a linear fashion to best facilitate successful completion of the course. Study any supplemental resources provided with your course to give you greater depth of understanding of the subject matter. Sections are released according to the course schedule. Completed course content is available to you at all times so that you may review previous content and assignments. This will help you anticipate your workload and understand how the course concepts are integrated and build upon one another.

### Contact Information

**Email:** [safeinstructor@alliedschools.com](mailto:safeinstructor@alliedschools.com)

**Instructional Support Toll Free:** 800-357-6577

**Student Services Toll Free:** 888-925-4282

**International:** 949-707-5044

**Fax:** 800-898-9188

**Hours:** Monday - Friday, 8:00 a.m. to 5:00 p.m. PST



## *20-Hour CA-DBO SAFE Comprehensive Course*

# Syllabus

### **Student Attendance Policy**

Attendance is measured by the completion of academic events on specified days. You are required to complete an academic event each Monday, Wednesday, or Friday of the class. An academic event is defined as a graded item that is a component of the overall course grade. Examples include a written assignment, a discussion board posting, or an exam. **If you do not complete an academic event on any of these days, you will be administratively withdrawn from the course.**

### **Late Assignment Submission Policy**

You will be penalized 20% every day that this assignment is late. Instructors will respond and grade assignments within 24 hours of the due date.

### **Non-Starts, Incompletes, and Extensions Policy**

Students who are withdrawn from their course are granted one complimentary restart. You must contact Allied within 30 days of the original start date to schedule the complimentary restart. If you do not contact Allied within 30 days of the original start date to schedule, the restart will be assessed a reenrollment fee. The nature of this course does not allow for extensions. All assignments must be completed within the course time frame. Students who cannot successfully complete by the course termination date will be assessed a reenrollment fee.

### **Grading/Evaluation Policy**

Evaluation is linked directly to the course objectives. Performance is measured by online exams, activities, discussion participation, and a final exam. To complete this course successfully, students must complete six sections including all reading assignments and exams, participate in discussions, submit activities to the instructor, accumulate the specified time, pass the final exam with a 70% or higher, and have a cumulative grade of 70% or higher.

### **Class Discussions Policy**

During the online course, you are required to communicate with the course instructor and classmates through online means within the learning platform. Class Discussions will allow you to participate in focused discussions to share your ideas and understanding of section concepts and how these ideas apply to each topic. To meet the minimum requirements for a required Discussion, you must respond to the topic posted by the faculty on application of the section's concepts and you must also further participate by engaging with other students by discussing another original application of the section's concepts. It is further recommended that each student acknowledge the faculty's feedback to the students' initial post through further clarification of a point, or post one additional meaningful response to the feedback from the faculty. **In order to receive full credit, a minimum of two posts must be made.**

### **Student Integrity and Academic Honesty Policy**

Allied Schools strives to encourage a spirit of honesty and integrity. This policy was created to foster a climate that promotes the most stringent academic standards. Violations of this policy will be dealt with using fair and consistent methods. Committing one or more of the following actions is considered unacceptable and constitutes a violation of this policy:

- Intentionally using or attempting to use unauthorized materials in any academic exercise;
- Intentionally aiding or attempting to aid another student to commit any act of academic dishonesty;
- Bribing or attempting to bribe, or making threats against any individual, with the intention of affecting a grade or an evaluation of academic performance;
- Falsifying any documents; and
- Accessing the institution's computer systems or files without proper authorization.



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## Course Calendar and Schedule

The class starts on a Wednesday at 12:01 A.M., PST and concludes on a Tuesday at 11:59 P.M., PST. The following calendar lists when each section's assignments are due. Once a section's assignments have been completed, you will have access the following section's assignments. Sections always open on a Wednesday, Friday, or Monday and are due the following Friday, Monday, or Wednesday, respectively. Refer to the Student Attendance Policy and Late Assignment Submission Policy for information regarding penalties for required attendance and late submissions. The list following the calendar details each section's objectives and assignments, including the approximate time you should spend on each.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			Day 1	2	3	4
			Course Begins Section 1 Assignments Due		Section 2 Assignments Due	
5	6	7	8	9	10	11
	Section 3 Assignments Due		Section 4 Assignments Due		Section 5 Assignments Due	
12	13	14				
	Section 6 Assignments Due	Final Exam Course Ends				

### Section 1: Course Introduction

20 Minutes

DAY 1

#### Objective

- 0 recognize course policies and elements of the course schedule.

#### Assignment

- Introduce yourself to the class 5 Minutes
- Read the Course Policies and Schedule and take Exam 15 Minutes

### Section 2: Overview of Mortgage Lending and Uniform State Content

165 Minutes

DAY 1-3

#### Objectives

- 1A Recall the start of the mortgage industry and how it has changed through the intervening years.
- 1B Recall the significance of the Consumer Financial Protection Bureau and the laws under the CFPB's authority.
- 1C Indicate the key HUD offices and recall its enforcement authority of the Fair Housing Act.
- 1D Recall the importance of the SAFE Act and the CSBS/AARMR Model State Law in the mortgage industry.
- 1E Identify the requirements for obtaining and maintaining a mortgage originator license.
- 1F Recognize required and prohibited conduct of MLOs.



# 20-Hour CA-DBO SAFE Comprehensive Course Syllabus

DAY 1-3

## Assignments

- Read Unit 1: Mortgage Industry: Overview and Regulatory Authority and Unit 2: SAFE Act and CSBS/AARMR Model State Law 90 Minutes
- Participate in the Section 2 Discussion Board 25 Minutes
- Complete the NMLS Unique ID Number Activity 25 Minutes
- Complete the Section Exam 25 Minutes

## Section 3: Federal Mortgage-Related Laws and Regulations

265 Minutes

DAY 3-6

## Objectives

- 2A Recall the purpose of the ECOA when extending credit to consumers.
- 2B Recognize the subparts of Reg. Z that pertain to open-end or closed-end loans, and indicate the various requirements MLOs and lenders must meet in order to comply with the Regulation.
- 2C Clarify the requirements for Section 32 high-cost mortgages.
- 2D Clarify the requirements for higher-priced mortgage loans.
- 2E Recall loan originator compensation practices prohibited by Reg. Z.
- 2F Recall the purpose and main features of RESPA.
- 2G Indicate the purpose of the integrated mortgage disclosures and identify the elements of the Loan Estimate and the Closing Disclosure.
- 2H Recall laws regarding consumer privacy: GLB Privacy Rule/Reg. P, do-not-call, and telemarketing laws.
- 2I Recall laws regarding fair lending: HMDA/Reg. C and MAP Act/Reg. N.
- 2J Recall laws regarding fraud and identity theft: FCRA/FACTA, FTC Red Flags, E-Sign, BSA/AML, and USA Patriot Act.

## Assignments

- Read Unit 3: Federal Mortgage-Related Laws – ECOA/Reg. B and TILA/Reg. Z, Unit 4: Federal Mortgage-Related Laws – RESPA/Reg. X and TRID Rule, and Unit 5: Other Federal Mortgage-Related Laws and Guidelines 185 Minutes
- Participate in the Section 3 Discussion Board 25 Minutes
- Complete the Timely Disclosures Activity 25 Minutes
- Complete the Section Exam 30 Minutes

## Section 4: General Mortgage Knowledge

190 Minutes

DAY 6-8

## Objectives

- 3A Specify the purpose, type, and terms of a real estate loan.
- 3B Distinguish between a traditional and a non-traditional mortgage.
- 3C Recognize loan amortization types.
- 3D Recall the types and features of reverse mortgages.
- 3E Recognize qualified mortgages and how creditors comply with the ATR/QM Rule.
- 3F Identify characteristics of conventional conforming loans.
- 3G Recognize characteristics of conventional non-conforming loans.
- 3H Recall the purpose of the FHA and identify FHA financing guidelines and loans.
- 3I Recall the purpose of the VA and identify VA financing guidelines and loans.
- 3J Recall the purpose of the USDA and identify types of rural lending programs.
- 3K Identify the different types of secondary financing.



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DAY 6-8

## Assignments

- Read Unit 6: Mortgage Loan Products and Unit 7: Mortgage Loan Programs 140 Minutes
- Complete the Recommending a Loan Activity 25 Minutes
- Complete the Section Exam 25 Minutes

## Section 5: Ethics

190 Minutes

DAY 8-10

## Objectives

- 4A Recall how ethical behavior applies to business and professional interactions.
- 4B Designate the characteristics of predatory lending.
- 4C Recognize how the CFPB enforces consumer protection laws.
- 4D Recognize the characteristics of mortgage fraud.
- 4E Recall the types of mortgage fraud scams.
- 4F Identify risk management techniques that lenders and MLOs use.
- 4G Recognize how mortgage fraud is investigated.

## Assignments

- Read Unit 8: Ethics and Predatory Lending Issues and Unit 9: Mortgage Fraud Issues 140 Minutes
- Participate in the Section 5 Discussion Board 25 Minutes
- Complete the Section Exam 25 Minutes

## Section 6: Mortgage Loan Origination Activities

330 Minutes

DAY 10-13

## Objectives

- 5A Recall the importance of mortgage suitability when working with potential borrowers.
- 5B Identify the purpose and information needed to complete a mortgage loan application.
- 5C Differentiate between the disclosures and their timing for TRID and non-TRID loans.
- 5D Recall the purpose of a Loan Estimate.
- 5E Indicate documents and verifications in a loan package.
- 5F Specify the underwriting process and guidelines.
- 5G Recall the underwriting requirements for qualifying borrowers.
- 5H Indicate the method(s) use to evaluate the underlying collateral.
- 5I Recognize the types of insurance required by lenders—property, mortgage, and title.
- 5J Recall the steps in closing and the participants in the settlement process.
- 5K Identify types of promissory notes and differentiate between mortgages and deeds of trust.
- 5L Categorize the various closing costs and identify types of settlement statements.
- 5M Recognize typical residential funding procedures.
- 6A Differentiate among the types of mortgage loan originator licenses in California.
- 6B Recall the purpose of the CRMLA and when a CRMLA license is required.
- 6C Indicate the requirements for a CRMLA license.
- 6D Identify the requirements and obligations of CRMLA licensees once they are licensed.
- 6E Consider the DBO Commissioner's authority and identify prohibited practices under the CRMLA.
- 7A Recall the purpose of the CFLL and when a CFLL license is required.
- 7B Indicate the licensing requirements under the CFLL.
- 7C Identify the requirements and obligations of CFLL licensees once they are licensed.
- 7D Consider the DBO Commissioner's authority and identify prohibited practices under the CFLL.



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<b>DAY 14</b>	<b>Assignments</b>	
	• Read Unit 10: Application and Loan Processing, Unit 11: Underwriting, and Unit 12: Settlement and Closing.	175 Minutes
	• Read Unit 13: California DBO – CRMLA and Unit 14: California DBO – CFLL	70 Minutes
	• Participate in the Section 6 Discussion Board	25 Minutes
	• Complete the CRMLA Case Study Activity	20 Minutes
	• Complete the Section Exam	40 Minutes
<b>Final Exam and Survey</b>		<b>20 Minutes</b>
<b>DAY 14</b>	<b>Assignments</b>	
	• Complete the Final Exam with a 70% or better	
	• Complete the End of Course Survey	

## Final Exam Information

The NMLS requires that you spend a minimum of 20 classroom hours\* in this course. As such, you will not be permitted to access the Final Exam until you have logged 980 minutes in the course. If you complete the coursework before the 980-minute mark, log the appropriate time by reviewing the units of content. You will be logged out of the course after 6 minutes of inactivity.

\*A classroom hour is defined as 50 seat minutes for each clock hour the course is approved

You will not be able to access the exam until all of the following conditions have been met: (1) it is the last day of class; (2) you have accumulated 980 minutes of study time; and, (3) all of your assignments have been submitted. You will have 50 minutes to complete the final, which consists of 25 questions. You may retake a different version of the final with no penalty as long as the retake occurs before the course termination date.

## System Requirements

<u>Component</u>	<u>Requirement</u>
Computer and processor	500-megahertz (MHz) processor or higher <sup>1</sup>
Memory	256 megabyte (MB) RAM or higher <sup>1,2</sup>
Hard disk	2 gigabyte (GB); a portion of this disk space will be freed after installation if the original download package is removed from the hard drive.
Display	1024x768 or higher resolution monitor
Operating system	Microsoft Windows XP with Service Pack (SP) 2, Windows Server 2003 with SP1, or later operating system <sup>3</sup>
Other	Certain inking features require running Microsoft Windows XP Tablet PC Edition or later. Speech recognition functionality requires a close-talk microphone and audio output device. Information Rights Management features require access to a Windows 2003 Server with SP1 or later running Windows Rights Management Services.  Connectivity to Microsoft Exchange Server 2000 or later is <i>required</i> for certain advanced functionality in Outlook 2007. Instant Search requires Microsoft Windows Desktop Search 3.0. Dynamic Calendars require server connectivity.
Additional	Actual requirements and product functionality may vary based on your system configuration and operating system.

<sup>1</sup> 1 gigahertz (GHz) processor or higher and 512 MB RAM or higher recommended for Business Contact Manager. Business Contact Manager not available in all languages.

<sup>2</sup> 512 MB RAM or higher recommended for Outlook Instant Search. Grammar and contextual spelling in Word is not turned on unless the machine has 1 GB memory.

<sup>3</sup> Office Clean-up wizard not available on 64 bit OS.