

**DEPARTMENT OF BUSINESS OVERSIGHT***Ensuring a Fair and Secure Financial Services Marketplace for all Californians***JAN LYNN OWEN****Commissioner of Business Oversight****For Immediate Release**

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## **Mortgage Lending by Non-Banks Increased at Fast Pace in 2015, DBO Report Shows**

### *Number of Loans Up 47%; Principal Grew 57%*

SACRAMENTO – Mortgage lending by non-banks in California increased substantially in 2015, measured both in volume and principal amount, according to a [report](#) released today by the Department of Business Oversight (DBO).

“It’s only one indicator, but this data points to the continued good health of California’s housing market,” said DBO Commissioner Jan Lynn Owen. “The numbers are cause for encouragement, but not giddiness. DBO will remain on guard against the bad underwriting and unfair business practices that crashed our economy and inflicted financial hardship on millions of Californians.”

Today’s report presents consolidated data from unaudited annual reports filed with the DBO by mortgage lenders and servicers licensed under the California Residential Mortgage Lending Act. It’s the first such report ever issued by the DBO.

“Non-banks’ share of the mortgage market has grown substantially in recent years, and California is no exception” said Owen. “That’s why we thought it was important to start sharing this data with the public and policymakers. And, fortunately, technology upgrades have made it easier for us to do that job.”

Licensed lenders originated 537,757 mortgages in 2015, up 47.3 percent from 2014’s total of 365,045, according to the data. The aggregate principal for mortgages originated in 2015 grew 56.7 percent from 2014, to \$179.3 billion from \$114.4 billion. The 2015 principal amount represented a 364.5 percent increase from 2008’s low point of \$38.6 billion, according to the report. Still, last year’s total was 29.6 percent below the \$254.8 billion recorded in 2006.

On the servicing side, the aggregate average principal amount of loans serviced by licensees each month increased 7.4 percent in 2015, to \$766.2 billion from \$713.1 billion in 2014, the data showed. This number hit a low of \$234.7 billion in 2009.

Licensees reported completing 16,246 foreclosures in 2015, down 3.6 percent from the 2014 total of 16,853. In 2012, the first year the DBO started collecting such data, licensees reported completing 18,468 foreclosures.

(MORE)

Prominent lenders and servicers licensed under the Residential Mortgage Lending Act include: Quicken Loans; Prospect Mortgage, LLC; Caliber Home Loans, Inc.; Finance of American Mortgage, LLC;

Guaranteed Rate, Inc.; loanDepot, LLC; Nationstar Mortgage, LLC; Ocwen Loan Servicing, LLC; Pennymac Loan Services, LLC; Stearns Lending, Inc.; and Suntrust Mortgage, Inc.

A report released by the DBO June 30 showed mortgage lending by non-banks licensed under a different law also increased substantially in 2015 compared to the prior year. Lenders licensed under the California Finance Lenders Law reported a 61.7 percent jump in the number of residential mortgage loans they made (to 78,073), and a 55.3 percent rise in the aggregate principal (to \$24.6 billion).

Combined in 2015, non-bank mortgage lenders licensed under both laws reported a 49 percent increase in the number of loans (to 615,830), and a 56.6 percent increase in aggregate principal (to \$203.9 billion).

The DBO licenses and regulates more than 360,000 individuals and entities that provide financial services in California. DBO's regulatory jurisdiction extends over state-chartered banks and credit unions, money transmitters, securities broker-dealers, investment advisers, non-bank installment lenders and payday lenders, mortgage lenders, escrow companies, franchisors and more.

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