

### **Tucson AZ Theaters**

Find Tucson theaters. Local yellow page listings!  
[www.AreaGuides.net/Tucson\\_Theaters](http://www.AreaGuides.net/Tucson_Theaters)

### **Tucson Mortgages**

Home Loan Rates as low as 5.25% (5.5% APR) Call 520-670-9900 Today.  
[www.ParamountEquity.com](http://www.ParamountEquity.com)

### **Ask a Lawyer Online Now**

14 Lawyers Are Online. Ask a Question, Get an Answer ASAP.  
[JustAnswer.com/Law/Marriage](http://JustAnswer.com/Law/Marriage)

Last Updated on Friday, Jul 17, 2009 - 11:53:42 am MST

## **AzBiz.com**

### **News and Features for Southern Arizona's business and legal communities**

Inside Tucson Business

Print Edition »

[View Front Page](#)

[Subscribe](#)



[Home](#) [News](#) [Opinion](#) [Construction/Real Estate](#) [Sales/Marketing](#) [Finance](#) [Media/Technology](#) [Community/Lifestyle](#) [Book of Lists](#) [Classifieds](#) [Daily Territorial](#)

- [Calendar](#)
- [E-Newsletter Signup!](#)
- [Archives](#)
- [View All Print Ads!](#)

Search

Home > [News](#) > [Construction Real Estate](#)

## **State faces lending industry gridlock due to unfunded bill**

### **Pulte purchases retirement community**

By [Joe Pangburn](#), Inside Tucson Business  
Published on Friday, July 17, 2009

The Arizona Legislature may be setting the state up for a logjam of mortgage business come July 1, 2010.

The Legislature approved and Governor Jan Brewer signed House Bill 2143, which pushed the effective date that loan originators in the state must obtain a license from Jan. 1, 2010, to the beginning of July later that year. It also established a fund, which the loan originator fees would go into to pay for the services of licensing. The problem

is that the Department of Financial Institutions, that will be enforcing the licensing, won't be able to access that fund until July 1, 2010, when the Legislature can appropriate those funds to the department.

There are an estimated 5,000 loan originators that must acquire a license from the state, but the bill, in compliance with the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, also requires a background check, pre-licensing education and pass a state approved test. "In the last two budget cuts for 2008 and 2009, I lost 47 percent of my examination team," said department Superintendent Felecia Rotellini. "I don't really have a backup plan with respect of who is going to review these applications. We are already behind in hiring the people we need to come up with the education courses and perform the background checks. We need the money for this program now."

Governor Brewer, in her suggested budget, wanted to allocate \$550,000 from the civil money penalties fund to initially fund the program, but the Legislature did not approve it.

"If we don't have everything in place and can't get through the applications fast enough all loan originators without a license on July 1 will have to stop doing business," Rotellini said. "The banks and lending institutions will lose business until the originators are all licensed."

The Southern Arizona Mortgage Lending Association, which is in favor of the licensing has voiced concerns about inaction for funding.

"This affects more than originators; Real Estate agents, builders, and consumers risk significant delays in the transaction and harm to our recovering market if the state legislature does not adequately fund this new law," said Lisa Burns, president of the organization.

Tom Heath, with Rio Nuevo Financial the fund would be self-perpetuating after the initial start-up phase.

"The legislature is working through a difficult problem, but \$550,000 is a modest amount necessary to create the mechanisms for DFI to collect the \$2.5 million to \$4 million expected in loan originator fees," Heath said. "Even more importantly, none of this seed money will be from the state's general fund and will in no way worsen the state's budget deficit."

Rotellini said as part of the SAFE Act of 2008, states had one year to implement a program for licensing that was in line with the act, but it recognized states had the right to govern their own loan originators. However, there was a provision that if a law wasn't enacted within a year (July 2009) that the department of Housing and Urban Development could come in and implement a licensing requirement. The act of not funding it, could trigger the HUD response.

"That wouldn't solve the problem either," Rotellini said. "Because we have a mandatory licensing requirement loan originators would be required to obtain two licenses to practice in Arizona and it would jeopardize the state's ability to regulate its own business."

Foreclosures still an issue

In the first six months of 2009 there were more than 89,799 foreclosure filings in the state of Arizona – the third highest total for the time frame, according to RealtyTrac.

There were 16,834 foreclosure filings in June alone down only slightly to the 16,865 filings in May.

---

#### Advertisement



[Are You Snoring Yourself To Death?](#)



[The Secret to Getting Highly Discounted Cruise Tickets](#)



[Make sure your funeral isn't a financial burden](#)

Of the total for Arizona in the first half of the year, Pima County has had 7,107 filings and 1,408 of those in June. The county shed just one foreclosure filing from May to June and is up more than 68 percent from the 834 foreclosure filings in June 2008. While the numbers are high, Pima County fared much better than its neighbors to the north.

Maricopa County accounted for 12,273 of the filings for June. It is down nearly 500 filings from the 12,749 filed in May. For the first half of the year, Maricopa County has had 67,219 foreclosure filings.

Pinal County with a much smaller population than Pima or Maricopa is seeing a large spike in its foreclosure filings. Pinal County recorded 1,313 filings in June, a jump from the 1,267 filed in May. For the first six months of the year, there have been 6,834 foreclosure filings.

For the month of June, Pinal County is the No. 1 county in Arizona in terms of foreclosure rate. Pinal County recorded one foreclosure filing for every 105 homes in June. Maricopa was second with one filing for every 125 homes. Mohave County came in No. 3 with one filing per every 145 homes. Yavapai County was No. 4 with one filing for every 188 homes and Pima finished the month at No. 5 with one foreclosure filing for every 302 homes.

Nationally, more than 1.9 million foreclosure filings were recorded in the first half of the year.

The highest states were California, 391,611; Florida, 268,064; Arizona, 89,799; Illinois, 68,932; and Nevada 68,708.

In terms of foreclosure rate, the top five are: Nevada, more than 6 percent; Arizona, 3.37 percent; Florida, 3.08 percent;

California, 2.94 percent; and Utah 1.46 percent.

#### Pulte buys community

Pulte Homes Corporation purchased the retirement community of Four Seasons at Rancho del Lago, 10294 S. Tea Wagon Way, from K. Hovnanian Homes for \$8 million last week.

The purchase included 261 finished lots, 202 platted and engineered lots, 12 model homes and a 14,000 square foot clubhouse.

"I think this will be a big boost of confidence to the market," said Will White with Land Advisors Organization, who brokered the deal along with Harry Lourimore and Jill Lewis both of Land Advisors Organization. "When big companies start making these larger investments in our market like this and showing a commitment to Tucson, it will help get more buyers off the fence."

The deal was considered to be a fire sale, but Land Advisors believe these kinds of sales are going to be a key part of the housing recovery.

The community southeast of Tucson is designed for residents age 55 and up. It has two pools, tennis courts and is located next to the public Del Lago Golf Club.

K. Hovnanian opened the community in early 2008.

#### County Foreclosure Comparison

County	Housing Units	Total	1/Every XHU	Foreclosure Rate	Rank	% change from May '09	% change from Jun '08
Apache	32,433		9	3,604	15	0	0
Cochise	57,200		66	867	12	-7.04	10
Coconino	60,179	112		537	8	20.43	119.61

Gila	30,494	61	500	7	35.56	1,425.00
Graham	12,357	20	618	11	81.82	100
Greenlee	3,746	2	1,873	14--	--	
La Paz	15,688	12	1,307	13	140	200
Maricopa	1,528,751	12,273	125	2	-3.73	21.3
Mohave	101,177	700	145	3	32.58	113.41
Navajo	53,746	95	566	10	55.74	15.85
Pima	425,889	1,408	302	5	-0.07	68.82
Pinal	137,410	1,313	105	1	3.63	30.91
Santa Cruz	16,992	51	333	6	-10.53	121.74
Yavapai	104,626	558	188	4	28.57	82.35
Yuma	86,814	154	564	9	22.22	30.51
Arizona	2,667,502	16,834	158	3	-0.18	29.99
U.S.	#####	336,173	380		4.57	33.21
Total						

E-mail items for this column to [jpangburn@azbiz.com](mailto:jpangburn@azbiz.com). Real Estate and Construction appears weekly.

[Print this story](#) [Email this story](#) [Post a Comment](#) [ShareThis](#)

Copyright © 2009 Inside Tucson Business

**PREVIOUS:**

**NEXT:** [Half-way through 2009, residential real estate is looking up](#)

## Comments

### WRITE A COMMENT

Use the form below to post a brief comment to this story, or respond to other readers. Please use the word count tool to assist you in keeping your remarks to 500 words or fewer.

Comments appear immediately on the site. Editors do review comments periodically during the day, and will remove offensive or off-topic content. You may also [report inappropriate comments](#) to the editors. Your thoughtful contribution to the online discussion is appreciated.


Name:

Email: (optional)

Comments:

Current Word Count:



Image Verification: (Case sensitive) 

[Post Comment](#)



[What is Twitter?](#)

## Classifieds

- [View All Ads](#)
- [Post Your Ad](#)

### Find Real Estate



[View All Real Estate](#)

### Find a Vehicle



[View All Automotive](#)

### Find a Job

[View All Employment](#)

### Other Categories

[Rentals](#)

[Home Services](#)

[Business Services](#)

[Services](#)

[Bulletin Board](#)

[Buy/Sell/Trade](#)



[View Video Feed](#)



[RSS Feed](#)

Advertisement

Feel like you're  
trying to be  
Superwoman  
most of the time?



Feel empowered,  
educated, and relieved  
to find like-minded  
women business  
owners right here  
in Tucson.

Contact us today!  
[www.nawbotucson.org](http://www.nawbotucson.org)  
or 520.326.2926



NAWBO® is a registered trademark of the National  
Association of Women Business Owners.  
Ad is courtesy of Inside Tucson Business.

Enter symbol

[Symbol lookup](#)

NYSE



<a href="#">Nyse</a>		6337.46
↑ 34.94	↑	0.55%
<a href="#">Nasdaq</a>		1965.96
↓ 7.64	↓	0.39%
<a href="#">S&amp;P 500</a>		979.26
↑ 2.97	↑	0.30%
<a href="#">Russell 2K</a>		548.46
↑ 2.61	↑	0.48%
<a href="#">10Yr Bond</a>		3.67
↓ 0.039	↓	1.05%

[Active Markets](#)

Last Updated: 3:40PM CDT 07/24/2009

[Home](#) | [News](#) | [Daily Territorial](#) | [Book of Lists](#) | [Opinion](#) | [Construction/Real Estate](#) | [Sales/Marketing](#) | [Finance](#) | [Media/Technology](#) | [Community/Lifestyle](#) | [Classifieds](#) | [Archives](#) | [Contact Us](#) | [RSS](#) | [Privacy Policy](#) | [Terms of Service](#)