

DECISION FLOW CHART

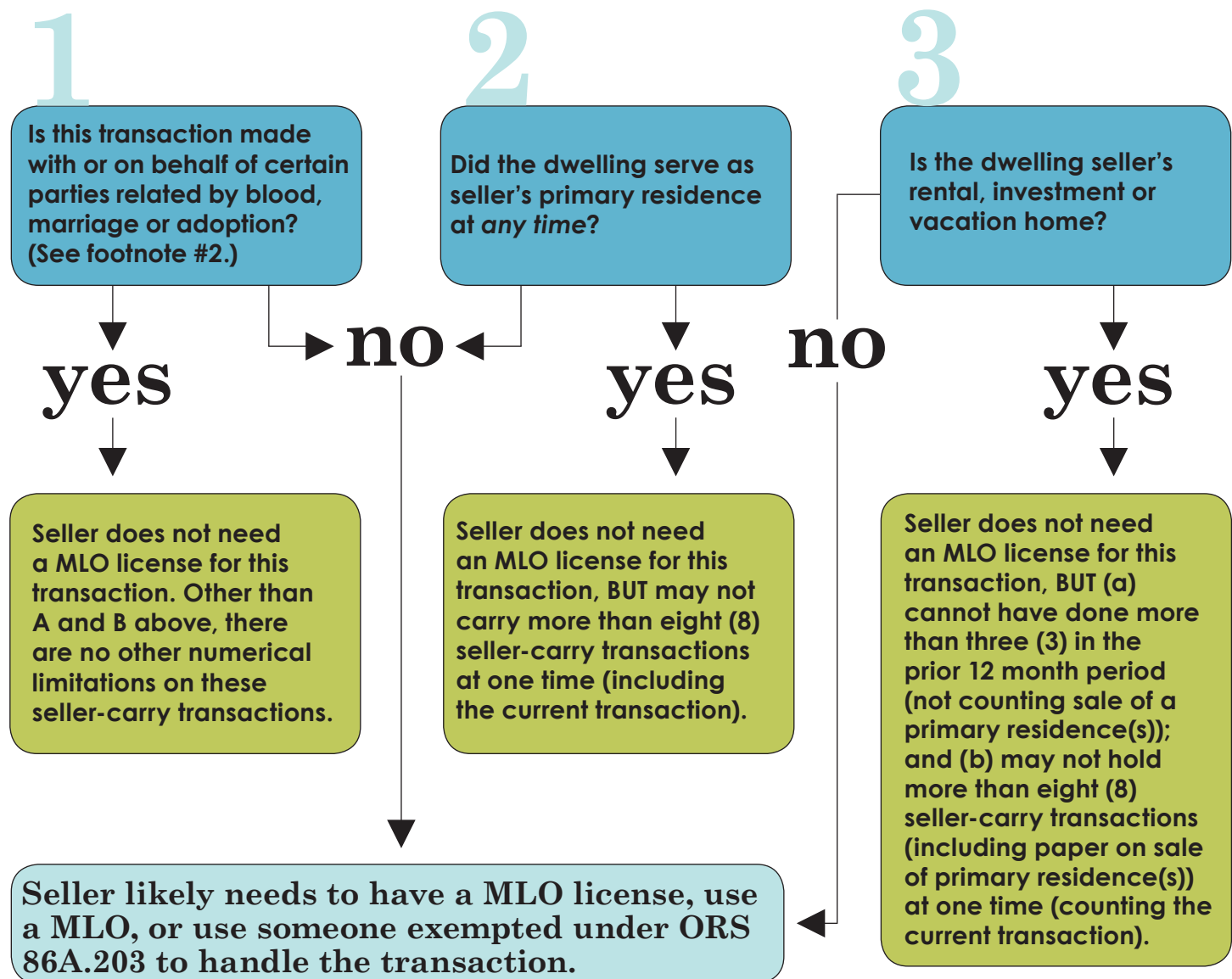
ISSUE: May seller sell a one-to-four family dwelling (or land upon which a one-to-four family dwelling will be constructed) without holding an Oregon MLO (mortgage loan originator) license?

ASK: Before proceeding, note that seller must meet both of the following seller requirements:

A) Seller must be a natural person. (A trust, estate or LLC for an individual qualifies for the exemption if the individual personally qualifies; if the LLC includes others beside the exempt individual, it would be exempt so long as the LLC members are family members);

B) Seller has not entered into more than four (4) seller-carry transactions for one-to-four family dwellings in the preceding calendar year. (See footnote #1 below.)

If Seller answers **no** to either A) or B) above, Seller will likely need to have a MLO license, use a MLO, or use someone exempted under ORS 86A.203 to handle the transaction.



¹ Under 12 CFR § 1026.2(a)(17)(v), a "creditor" is a person who "regularly extends consumer credit" for more than 5 transactions secured by a dwelling in the preceding calendar year. See: <https://www.law.cornell.edu/cfr/text/12/1026.2>. Official interpretations limit number to four (4) in prior year, if seller wants to do one in current year.

² Under ORS 86A.203(2)(b), the following relationships are identified: The individual's spouse, child, sibling, parent, grandparent, grandchild or a relative in a similar relationship with the individual that is created by law, marriage or adoption. See: <http://www.oregonlaws.org/ors/86A.203>.