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**SPONSOR STATEMENT
CSHB 104(L&C) AM**

"An Act relating to exemptions from mortgage lender, mortgage broker, and mortgage loan originator licensing requirements: and providing for an effective date."

The current Alaska SAFE Act allows a seller to finance his or her residence. If a person had more than one residence (a second home for example) they could sell and finance it themselves without a license under AS 06.60.015(b)(3). If the second home had been rented it would be considered an income property and the seller would be required to have a mortgage loan originator license in order to seller-finance it.

CSHB104(L&C) would allow a person to seller-finance up to 5 of their own properties which are secured by a dwelling, whether they are an income property or not.

Interior and more rural community property owners have parcels with trailers or cabins on them; some with water and electric, some without. These types of properties are historically difficult to finance through the traditional mortgage process and many times lenders require more money down, shorter loan terms, higher interest rates, and in some cases, will not finance them at all.

Those wishing to take on the responsibility of home ownership and establish roots in the community may find, for many reasons, that they do not qualify for a traditional mortgage. Seller financing is another tool that can be utilized to make it affordable for one to realize their dream of having a place they can finally call their home.

Seller financing is a reasonable and practical option for both sellers and buyers of these type properties.

CSHB 104 would give more opportunity for the dream of home ownership to those who might not otherwise realize it and would relieve the financial burden of bona fide non-profit organizations assisting Alaskans in making their dream come true.