

5 MARKETING COMPLIANCE DO'S & DON'TS...

Every Mortgage Professional Should Know

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WHY MARKETING COMPLIANCE MATTERS TO YOUR BUSINESS

COMPLIANCE SHOULDN'T STOP YOU FROM MARKETING—IT SHOULD HELP YOU MARKET SMARTER.

- Your marketing is often the first impression a prospect has of your business
- Small wording or disclosure issues can create bigger problems
- Social media, email, websites and digital ads are all part of your marketing footprint
- Business (referral) relationships can create additional compliance considerations
- The goal isn't to avoid marketing—it's to understand where the lines are



KEY TAKEAWAY: Build compliance into your marketing process rather than treating it as an afterthought.

THE 5 MARKETING COMPLIANCE AREAS WE'LL COVER

- ✓ **DO:** Make Your Advertising Accurate & Clear
- ✓ **DO:** Understand the Rules Around Referrals & Things of Value
- ✓ **DO:** Communicate with Borrowers Carefully & Consistently
- X **DON'T:** Treat Social Media as "Just Social Media"
- X **DON'T:** Hide the Important Stuff in the Fine Print

DO #1: MAKE YOUR ADVERTISING ACCURATE & CLEAR

YOUR MARKETING IS AN ADVERTISEMENT

DO: Review everything you put in front of consumers

Think beyond traditional ads:

- Website content
- Social media posts
- Email campaigns
- Flyers & direct mail
- Digital ads
- Videos and webinars
- Text messages
- 3rd Party Lead-generation pages

Basic requirements for each: Individual name and NMLS ID, Company name and full address, Company NMLS ID. State specific language.

Regulation Z treats electronic and other commercial messages promoting credit transactions as advertisements, and advertised credit terms must be terms that are actually available.



EXAMPLE A

GET $500,000 CASH FROM YOUR HOME!

No payments.

No income requirements.

Call today!

MARKETING EXAMPLE:

WOULD YOU RUN THIS AD?

- What catches your attention?
- Is this statement universally true?
- Does the consumer understand the conditions?
- Are important qualifications missing?
- Could the language create a misleading impression?

BETTER APPROACH

Explore Revenue Mortgage Options

Access home equity with a solution designed for eligible homeowners. Program requirements, eligibility and available proceeds vary.

DISCUSSION

The goal isn't to make marketing boring. It's to make the message accurate, balanced and supportable.

DON’T #2: HIDE THE IMPORTANT STUFF

FINE PRINT ISN’T A FIX FOR EVERYTHING

DON’T: Put a potentially important qualification in tiny text while making the headline do all the selling.

Watch for:

- Rates
- No monthly mortgage payments
- Loan amounts
- Tax—free
- “No cost” or “no fees”
- “Guaranteed” claims
- ”Government insured”
- Stay in your home forever, age in place
- Eligibility statements
- Limited-time offers

Required disclosures have to meet applicable *clarity and prominence* requirements; for certain mortgage advertising, disclosures tied to advertised rates or payments must be clear and conspicuous and appropriately close to the triggering terms.

Ask yourself:
“Would a reasonable consumer understand the complete message—not just the headline?”

POST #1:

“Just helped my client get $750K from their home! 🎉 ”

POST #2:

“Rates are at historic lows! DM me!”

POST #3:

“No monthly mortgage payments! Ask me how.”

SOCIAL MEDIA:

CAN YOU POST IT?

DO: Treat social media like advertising when it functions as advertising

DON’T: Assume that because it’s on your personal/business account, normal advertising rules don’t apply.

DISCUSSION QUESTIONS:

Is this representative?

Are there material qualifications?

Does it imply a guarantee?

Would your compliance department approve it?

DO #3: KNOW YOUR BUSINESS REFERRAL RULES

RESPA: REFERRALS & THINGS OF VALUE

DO: Understand what can create a RESPA concern before entering into a marketing or referral arrangement.

Red flags can include:

- Paying for referrals
- Gifts
- Meals or entertainment
- Event sponsorships
- Venue, print and mail invites, F&B, etc.
- Co-Marketing efforts
- Payments based on the number/value of referrals
- Thing of value-everything has value

RESPA Section 8 prohibits giving or accepting a fee, kickback or other thing of value pursuant to an agreement or understanding for referrals of settlement-service business involving federally related mortgage loans. The rule also prohibits fee splitting except for actual services performed.



SCENARIO:

A real estate professional says:

“If you send me three borrowers this month, I’ll send three clients your way.”

Then offers to buy you dinner.

BUSINESS REFERRAL SCENARIO:

WHAT’S THE PROBLEM?

DISCUSSION:

What is being exchanged?

Is there an agreement or understanding?

Is something of value involved?

Is the activity connected to referrals?

What should the broker do before proceeding?

BROKER TAKEAWAY:

When a business relationship involves referrals + something of value, stop and ask compliance.

DON'T #4: TREAT SOCIAL MEDIA LIKE A FREE-FOR-ALL

YOUR SOCIAL MEDIA IS PART OF YOUR BUSINESS

DON'T: Post first and ask compliance later

Create a simple "Before You Post" checklist:

- Is this claim accurate?
- Can I substantiate it?
- Am I making a promise or guarantee?
- Are rates/payments mentioned?
- Are required disclosures triggered?
- Am I using a customer's story or testimonial appropriately?
- Does this comply with company and state requirements?
- Would I be comfortable seeing this post reviewed by compliance?

TIP: Create a library of pre-approved social content rather than reinventing every post

DO #5: COMMUNICATE CAREFULLY WITH BORROWERS

BORROWER COMMUNICATIONS

DO: Make consistency and accuracy part of your borrower experience

Pay attention to:

- Email
- Text messages
- Voicemail
- Follow-up communications
- Marketing automation
- Loan status updates
- Product descriptions
- Post-close communications

For marketing email, federal CAN-SPAM requirements include accurate header information, non-deceptive subject lines, NMLS information, a valid physical address and a mechanism for opting out.

Simple rule:
If you're not sure whether a communication is marketing or servicing, ask before sending.



REAL-WORLD WORKSHOP

SPOT THE COMPLIANCE ISSUE

EXAMPLES:

1. “Guaranteed approval!”
2. “Stay in your home forever”

   - Remain in your home as long as you meet the loan obligations, including property taxes, insurance, maintenance and principal residence requirements

3. “No payments EVER!”

   - Borrower must occupy home as primary residence and remain current on property taxes, homeowner’s insurance, the costs of home maintenance, and any HOA fees.

4. ”Send me your referrals and I’ll send you mine.”



THE BROKER'S COMPLIANCE-FRIENDLY MARKETING CHECKLIST

Before launching your next campaign:

1. **CREATE**
   Build useful, educational content
2. **CHECK**
   Review claims, rates, payments, and product statements
3. **DISCLOSE**
   Make required information clear and appropriately prominent
4. **DOCUMENT**
   Keep records of approvals, sources and supporting information



LIVE Q&A:
ASK COMPLIANCE

Your questions. Real Scenarios. Live answers.

If you've ever thought, *'Can I actually do that?'* —
This is your chance to ask Compliance

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Borrower must occupy home as primary residence and remain current on property taxes, homeowner's insurance, the costs of home maintenance, and any HOA fees.

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