



Department of Commerce

REQUESTING EXEMPTIONS UNDER THE FORECLOSURE FAIRNESS ACT

[RCW 61.24](#)

Information for Financial Institutions and Beneficiaries

Financial institutions may certify two types of exemption: (1) exemption from payment of fees, and (2) exemption from foreclosure mediation. Exemption status certifications must be submitted to the Washington State Department of Commerce annually. **Due to the new legislation and change to fee exemption requirements, beneficiaries who submitted fee exemption certifications for 2016 will need to recertify for July through December 2016.** (See [Chapter 196, Laws of 2016](#) for new language)

Which institutions are exempt from payment of fees under the Foreclosure Fairness Act?

Federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)¹, are exempt from payment of fees IF they certify under penalty of perjury to Department of Commerce that they issued, or directed a trustee or authorized agent to issue, fewer than 50 notices of trustee's sale during the preceding calendar year. In order to receive this exemption status, financial institutions must submit an exemption from fees certification to Department of Commerce each year. (New section has not yet been codified; see [Chapter 196, Laws of 2016](#) for new language)

Which institutions are exempt from mediation under the Foreclosure Fairness Act?

Federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)¹, are exempt from foreclosure mediation in Washington State IF they certify under penalty of perjury to Department of Commerce that they were not a beneficiary² of deeds of trust in more than 250 trustee sales of owner-occupied¹ residential real properties² during the preceding calendar year. In order to receive this exemption status, financial institutions must submit an exemption from foreclosure mediation certification to Department of Commerce each year by January 31. ([RCW 61.24.166](#))

How do we certify exemption status?

To certify your annual exemption from fees and/or mediation, please choose one of the three **exemption templates** posted on our website at www.commerce.wa.gov/foreclosures under the "Financial Institutions" header. Make sure you use your financial institution's letterhead and have the exemption letter hand-signed by a corporate officer under penalty of perjury. Please include an email and telephone number for us to contact you, should we have any questions. Exemption from mediation certificates must be postmarked no later than January 31 of each year, in order for your financial institution to receive exemption from foreclosure mediation status that year.

The original hand-signed certifications must be mailed to:

Foreclosure Fairness Program Manager
Washington State Department of Commerce
CSHD
1011 Plum Street SE
PO Box 42525
Olympia, WA 98504-2525

¹ We interpret "federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)" to mean that a beneficiary must be BOTH federally insured AND a depository institution as defined in 12 U.S.C. Sec. 461(b)(1)(A).

² "Beneficiary" is defined in [RCW 61.24.005\(2\)](#).