CHAPTER 53

ARTICLE 19B - THE SECURE AND FAIR ENFORCEMENT MORTGAGE LICENSING ACT

N.C.G.S. § 53-244.115.

Investigation and examination authority.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 04:49 UTC	6b5ce2399105e76bc7eff78f - aff1bb65df9606b0d5529487 - 51c113338c7e9885

§ 53-244.115(a) For purposes of initial licensing or registration, renewal, suspension, conditioning, revocation, termination, general or specific inquiry, investigation, or examination to determine compliance with this Article, the Commissioner may access, receive, and use any books, accounts, records, files, documents, information, or evidence, including all of the following:

(1) Criminal, civil, and administrative history information, including nonconviction data.

(2) Personal history and experience information, including independent credit reports obtained from a consumer reporting agency described in 15 u.S.C. § 1681a.

(3) Any other documents, information, or evidence the Commissioner deems relevant to the inquiry, investigation, or examination regardless of the location, possession, control, or custody of the documents, information, or evidence.

§ 53-244.115(b) For purposes of investigating violations or complaints arising under this Article, or for the purposes of examination, the Commissioner may review, investigate, or examine any licensee, registrant, or person subject to this Article as often as necessary in order to carry out the purposes of this Article. The Commissioner may interview the of - ficers, principals, control persons, qualifying individuals, mortgage loan originators, employees, independent contractors, agents, and customers of the licensee, registrant, or person concerning their business. The Commissioner may direct, subpoena, or order the attendance of and examine under oath all persons whose testimony may be required about the residential mortgage loans, business, or subject matter of any examination or investigation and may direct, subpoena, or order the person to produce books, accounts, records, files, and any other documents the Commissioner deems relevant to the inquiry. The assessment set forth in G.S. 53-244.100A is for the purpose of meeting the cost of regulation under this Article. Any investigation or examination that, in the opinion of the Commissioner, requires extraordinary review, investigation, or special examination is subject to the actual costs of additional expenses and the hourly rate for the staff's time, to be determined annually by the Banking Commission.

§ 53-244.115(c) Each licensee, registrant, or person subject to this Article shall make available to the Commissioner upon request the books and records relating to the operations of the licensee, registrant, or person. No licensee, registrant, or person subject to investigation or examination under this section shall knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information. Each licensee, registrant, or person subject to this Article shall also make available for interview by the Commissioner the officers, principals, control persons, qualifying individuals, mortgage loan originators, employees, independent contractors, agents, and customers of the licensee, registrant, or person concerning their business.

§ 53-244.115(d) Each licensee, registrant, or person subject to this Article shall make or compile reports or prepare other information that may be directed or requested by the Commissioner in order to carry out the purposes of this section, including any of the following:

(1) Accounting compilations.

(2) Information lists and data concerning residential mortgage loan transactions in a format prescribed by the Commissioner.

(3) Periodic reports, including any of the following:

a.Annual Report.

b.Servicer Activity Report.

c.Servicer Schedule of the Ranges of Costs and Fees.

d.Lender/Servicer Audited Statement of Financial Condition.

e.Broker Certified Statement of Financial Condition.

f.Quarterly Loan Origination Reports.

(4) Any other information deemed necessary to carry out the purposes of this section.

§ 53-244.115(e) In conducting any examination or investigation authorized by this Article, the Commissioner may control access to any documents and records of the licensee, registrant, or person under examination or investigation. The Commissioner may take possession of the documents and records or place a person in exclusive charge of the documents and records in the place where they are usually kept. During the period of control, no person shall remove or attempt to remove any of the documents and records except pursuant to a court order or with the consent of the Commissioner. Unless the Commissioner has reasonable grounds to believe the documents or records of the licensee or registrant have been or are at risk of being altered or destroyed for purposes of concealing a violation of this Article, the licensee, registrant, or owner of the documents and records shall have access to the documents or records as necessary to conduct its ordinary business.

§ 53-244.115(f) In order to carry out the purposes of this section, the Commissioner may do any of the following:

(1) Retain attorneys, accountants, or other professionals and specialists, such as examiners, auditors, or investigators to conduct or assist in the conduct of examinations or investigations.

(2) Enter into agreements or sharing arrangements with other governmental agencies or associations representing governmental agencies and may share otherwise confidential information pursuant to these written agreements, but only to the extent permitted by G.S. 53C-2-7(d). Information shared pursuant to the agreements authorized under this section retains any and all applicable privilege and related confidentiality protections provided by State or federal law.

(3) Use, hire, contract, or employ public or privately available analytical systems, methods, or software to examine or investigate the licensee, registrant, or person subject to this Article.

(4) Accept and rely on examination or investigation reports made by other government officials, inside or outside this State.

(5) Accept audit reports made by an independent certified public accountant for the licensee, registrant, or person in the course of that part of the examination covering the same general subject matter as the audit and may incorporate the audit report in the report of examination, investigation, or other writing of the Commissioner.

§ 53-244.115(g) In addition to the authority granted by G.S. 53-244.113 and G.S. 53-244.116, the Commissioner may take action, including summary suspension of the license or registration, if the licensee or registrant fails, within 20 days or a lesser time if specif - ically requested for good cause, to do any of the following:

(1) Respond to inquiries from the Commissioner or the Commissioner's designee regarding any complaints filed against the licensee or registrant that allege or appear to involve violation of this Article or any law affecting the mortgage lending business.

(2) Respond to and cooperate fully with notices from the Commissioner or the Commissioner's designee relating to the scheduling and conducting of an examination or investigation under this Article.

(3) Consent to a criminal history record check. The refusal constitutes grounds for the Commissioner to deny licensure or renewal to the applicant as well as to any person that meets any of the following criteria:

a.By whom or by which the applicant is employed.

b.Over which the applicant has control.

c.As to which the applicant is the current or proposed qualifying individual or a current or proposed branch manager.

§ 53-244.115(h) The authority of this section remains in effect, whether a licensee, registrant, or person subject to this Article acts or claims to act under any licensing or registration law of the State, or claims to act without this authority. (2009-374, s. 2; 2012-37, s. 3; 2013-327, s. 13; 2015-293, s. 1; 2025-43, s. 1.)

END OF SECTION TEXT APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
4 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 53-244.100A	(b)	*"inquiry. The assessment set forth in"*
G.S. 53C-2	(f)(2)	*"only to the extent permitted by"*
G.S. 53-244.113	(g)	*"addition to the authority granted by"*
G.S. 53-244.116	(g)	*"authority granted by G.S. 53-244.113 and"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 53-244.115 (2026).

PINPOINT

N.C. Gen. Stat. § 53-244.115(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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