Company New Application Checklist
Agency Requirements

MICHIGAN 2ND MORTGAGE BROKER REGISTRATION

This document includes instructions for a company new application request.

Qualifications for registration include, but are not limited to, currently holds (or is applying for) a 1st mortgage license or registration, an approved issuer, seller, or servicer by Fannie Mae, Freddie Mac, or Ginnie Mae. See Section 3a of the Secondary Mortgage Loan Act, 1981 PA 125, for registration qualifications. If applicant does not qualify for registration, review the Michigan 2nd Mortgage Broker License new application checklist.

Total license costs: $800 including the NMLS processing fee. Fees collected through NMLS ARE NOT REFUNDABLE; however, if application is approved July 1 – December 31, our office will refund a portion of the application fee based on applicable Michigan law.

Section 5(1) of the Secondary Mortgage Loan Act, 1981 PA 125, states:

> (1) Upon the filing of an application for a license and the payment of the required fees and the filing of proof of financial responsibility as the commissioner requires, the commissioner shall investigate the facts. If the commissioner finds that the financial responsibility, experience, character, and general fitness of the applicant for a license, and, as applicable, the applicant's shareholders, directors, officers, partners, members, and trustees command the confidence of the community and warrant the belief that the business will be operated lawfully, honestly, fairly, and efficiently as required by this act, the commissioner shall issue to the applicant a license to engage in the business of brokering, making, or servicing secondary mortgage loans under this act.

Experience is only one of the factors we use to determine licensure. It is our internal policy to use a **2-year** mortgage industry baseline as the minimum experience requirement for a company applying for a mortgage license.

Use the checklist below to complete the requirements for Michigan. The checklist provides instructions and requirements for information to be entered in NMLS, and the documents that must be uploaded into NMLS.

For help with the NMLS application, see the Quick Guide for Company Form Filing in NMLS.

For help with document uploads, see the Quick Guide for Document Uploads in NMLS.
Also see Document Upload Descriptions and Examples in NMLS.

For help with financial statement uploads, see the Quick Guide for Financial Statement Filing in NMLS.

Agency specific requirements marked **Filed in NMLS** must be completed and/or uploaded in NMLS; this information will not be viewable to the agency until the application has been submitted through NMLS.
Upon submitting the application, email this checklist to the analyst assigned to process the application (see link):
https://mortgage.nationwidelicensingsystem.org/contact/Pages/StateAgencyContacts.aspx?state=MI

NMLS **Company** Unique ID Number: _____

Applicant's Legal Name: _____

FILED IN NMLS	NOT APPLICABLE	MICHIGAN 2ND MORTGAGE BROKER REGISTRATION
☐	☐	**Other Trade Name:** Assumed names should be listed under Other Trade Names section on the NMLS Company Form. Michigan does not limit the number of assumed names.
☐	☐	**Trade Name/Assumed Name Registration Certificates:** All assumed names must first be registered with the Michigan Corporation Division (ph. 517-241-6470; website www.michigan.gov/corporations). If operating under an assumed name, a separate State issued and approved document for each assumed name should be uploaded. Upload this document in NMLS under the Document Type "Trade Name/Assumed Name Registration Certificates" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Resident/Registered Agent:** Resident/Registered Agent section of the NMLS Company Form should be completed with the information currently on record with Michigan Corporation Division. If you are not required to register with the Michigan Corporation Division, you must list a Michigan resident or Michigan business entity as the Resident/Registered Agent.
☐	N/A	**Qualifying Individual:** Qualifying Individual is an individual responsible for the Michigan operations of the applicant. This section of the Company (MU1) Form must be completed.
☐	☐	**Disclosure Questions:** Include a detailed explanation for any "Yes" response. A separate explanation and document upload is needed for each "Yes" response. Upload a copy of any applicable orders or supporting documents in the *Disclosure Explanations* section of the Company (MU1) Form (i.e. bankruptcy discharge, Regulatory Action orders). See the Company Disclosure Explanations Quick Guide for instructions.
☐	N/A	**Financial Statements:** Upload most recent audited (prepared by a Certified Public Accountant) or unaudited financial statement (signed by an executive officer) completed in accordance with Generally Accepted Accounting Principles dated within 12 months. You may use financial statement form FIS 2053. Applicant's net worth shall be $15,000 or more if the applicant **does not** receive funds from prospective borrowers prior to closing mortgage loans. Applicant's net worth shall be $25,000 or more if the applicant **does** receive funds from prospective borrowers prior to closing mortgage loans. **NOTE**: The financial statement should be for the company applying. Do not upload a personal financial statement unless you are applying as a sole proprietorship. **NOTE**: Financial statements are uploaded separately under *Financial Statement* section of the Filing tab. See the Financial Statement Quick Guide for instructions.

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☐	N/A	**Business Plan:** Upload a business plan outlining marketing strategy, products, target markets and operating structure the applicant intends to employ. Upload this document in NMLS under the Document Type "Business Plan" in the *Document Uploads* section of the Company (MU1) Form.
☐	☐	**Certificate of Authority/Good Standing Certificate:** All entities except individuals must first be registered with the Michigan Corporation Division (ph. 517-241-6470; website www.michigan.gov/corporations). Upload a state-issued document from the Michigan Corporation Division demonstrating that the corporation or limited liability company (LLC) is authorized to do business in the state. Upload this document in NMLS under the Document Type "Certificate of Authority/Good Standing Certificate" in the *Document Uploads* section of the Company (MU1) Form.
☐	☐	**Formation Document:** Upload a certified copy of: • The Corporate Charter or Articles of Incorporation (if a corporation), or • The Articles of Organization and Operating Agreement (if a Limited Liability Company), or • The Partnership Agreement (if a partnership of any form), or • Assumed Name Filing (if a sole proprietorship). Upload this document in NMLS under the Document Type "Formation Document" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Management Chart:** Upload an organizational chart showing the applicant's divisions, officers, and managers. Upload this document in NMLS under the Document Type "Management Chart" in the *Document Uploads* section of the Company (MU1) Form.
☐	☐	**Organizational Chart/Description:** Upload an organizational chart if applicant is owned by another entity or entities or person, or has subsidiaries or affiliated entities. Upload this document in NMLS under the Document Type "Organizational Chart/Description" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Proof of Financial Responsibility Deposit**: Complete one of the following. 1. ***Electronic Surety Bond*:** If applicant **does** receive funds from prospective borrowers prior to closing mortgage loans, request Electronic Surety Bond via NMLS in the amount of $25,000 furnished and submitted by a surety company authorized to conduct business in Michigan. See the ESB Adoption Table and the ESB for NMLS Licensees page of the NMLS Resource Center for more information. **NOTE**: This company bond is not to be used for the MLO bond requirement.

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		2. ***Exemption Declaration:*** If applicant **does not** receive funds from prospective borrowers prior to closing mortgage loans, complete form FIS 1140 Exemption Declaration. Upload this document in NMLS under the Document Type "Surety Bond – Alternate Security Device" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Qualification to Register:** Provide a current approval letter from Fannie Mae, Freddie Mac, or Ginnie Mae confirming the applicant's issuer, seller, or servicer number; or other information confirming the qualification to register. Letter must be dated within 12 months. Upload this document in NMLS under the Document Type "Additional Requirements" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Business Relationships:** Provide a list of names and business addresses of the three primary licensees, registrants, or exempt institutions that applicant will broker mortgage loans (i.e., lenders). Note that under Michigan law, a licensee/registrant may broker or assign loans only to licensees, registrants, or exempt institutions. Upload this document in NMLS under the Document Type "Additional Requirements" in the *Document Uploads* section of the Company (MU1) Form.
☐	☐	**Direct Ownership Verification:** Provide copies of stock certificates, operating agreement, or other legal documentation to support 100% direct ownership. Also, if the direct ownership or indirect ownership (two tiers of indirect) does not reflect 100% ownership on the MU1 filing, provide a complete detailed spreadsheet listing owners' names and percentages. **NOTE**: This is only "Not Applicable" if applying as a sole proprietorship. Upload this document in NMLS under the Document Type "Formation Document" in the *Document Uploads* section of the Company (MU1) Form.
☐	N/A	**Mortgage Loan Originator List:** Provide a list of individuals that will obtain or currently hold a Michigan mortgage loan originator license that will be sponsored by the applicant. The list should include the name of the individuals and their NMLS ID numbers. Upload this document in NMLS under the Document Type "Additional Requirements" in the *Document Uploads* section of the Company (MU1) Form.
☐	☐	**Other Licenses Held By Company/Control Person:** Provide a list of present/past professional licenses issued by Michigan or other states (i.e. real estate, securities, insurance, CPA, attorney). **Do not list any licenses held in NMLS (company or MLO).** **NOTE**: This is only "Not Applicable" if no professional licenses issued.

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		Upload this document in NMLS under the Document Type “Additional Requirements” in the *Document Uploads* section of the Company (MU1) Form.

****Additional information may be requested upon review of your application; watch your e-mail for such requests****

WHO TO CONTACT – Contact *Office of Consumer Finance* via phone at *(877) 999-6442* or send your questions via e-mail to *difs-fin-info@michigan.gov* for additional assistance.

THE APPLICANT IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE REGISTRATION FOR WHICH THEY ARE APPLYING. THE AGENCY SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.