



Texas SML Mortgage Company Branch License New Application Checklist (Branch)

CHECKLIST SECTIONS

- [General Information](#)
- [License Fees](#)
- [Requirements Completed in NMLS](#)
- [Requirements/Documents Uploaded in NMLS](#)
- [Requirements Submitted Outside of NMLS](#)

GENERAL INFORMATION

Who is required to have this license?

A mortgage company must obtain a license for any office or location it advertises or promotes to the general public as an office or location at which the mortgage company's sponsored residential mortgage loan originators meet in-person with mortgage applicants or prospective mortgage applicants. A licensed office of the mortgage company must be a physical office and have a permanent physical or street address (a post office box or other similar arrangement is not sufficient). See 7 Texas Administrative Code § 80.206(b).

"Branch office" means "any office a mortgage company maintains that is separate and distinct from its main office (identified on the Mortgage Company License MU1), whether located in Texas or not, at which it conducts residential mortgage loan origination business with mortgage applicants or prospective mortgage applicants in Texas or concerning residential real estate located in Texas." See 7 Texas Administrative Code § 80.206(a)(2).

This branch license should only be applied for by a company that holds or is applying for a Mortgage Company License.

Who does not need this branch license?

A branch license is not required for (see 7 Texas Administrative Code § 80.206):

- (1) an "administrative office," defined by 7 Texas Administrative Code § 80.206(a)(1) to include:
 - a. an office or location at which the employees of the mortgage company act solely in the capacity of a loan processor or underwriter;
 - b. an office or location at which the employees of the mortgage company perform solely administrative or clerical tasks on behalf of an individual licensed as a residential mortgage loan originator;
 - c. an office or location which conducts any combination of the above activities; or
- (2) a "remote location," defined by 7 Texas Administrative Code § 80.206(a)(5) to mean a location from which the employees or sponsored residential mortgage loan originators of the mortgage company conduct residential mortgage loan business remotely, as authorized by 7 Texas Administrative Code § 80.206(c).

Activities Authorized Under This License

This license authorizes the following activities...

- First and second mortgage brokering
- First and second mortgage lending
- Foreclosure consulting/foreclosure rescue
- High cost home loans – Broker
- High cost home loans – Lender
- Home equity lending/lines of credit – Broker
- Home equity lending/lines of credit – Lender
- Reverse mortgage brokering
- Reverse mortgage lending

See the [Business Activities Definitions](#) for a full list.

Pre-Requisites for License Applications

For a branch office license, the mortgage company must:

- (1) submit a completed application together with the payment of applicable fees through NMLS; and
- (2) designate an individual that holds an active TX-SML residential mortgage loan originator license and is sponsored by the mortgage company that will be linked to the branch office location as a “Qualifying Individual.”

TX-SML does not issue paper licenses for this license type.

Document Uploads

Documents that must be uploaded to the *Document Uploads* section of the Branch Form (MU3) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

Helpful Resources

- [Branch Form \(MU3\) Filing Quick Guide](#)
- [Document Upload Descriptions and Examples](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

Agency Contact Information

Updated: 4/29/2022

Contact TX-SML Licensing Section by phone at 512-475-1350 or toll free at 877-276-5550 or send your questions via e-mail to nmls@sml.texas.gov for additional assistance.

For U.S. Postal Service and Overnight Delivery:

Department of Savings and Mortgage Lending
Licensing Section
2601 North Lamar Boulevard, Suite 201
Austin, Texas 78705-4207

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE 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.

LICENSE FEES - Fees collected through NMLS are not REFUNDABLE or TRANSFERABLE.

Complete	TX-SML Mortgage Company Branch License	Submitted via...
<input type="checkbox"/>	Texas Initial Mortgage Company Branch License (MU3): \$50 NMLS Initial Processing Fee: \$20	NMLS
<input type="checkbox"/>	Texas Mortgage Company Branch Location Change: \$25	NMLS

REQUIREMENTS COMPLETED IN NMLS

Complete	TX-SML Mortgage Company Branch License	Submitted via...
<input type="checkbox"/>	Submission of Branch Form (MU3): Complete and submit the Branch Form (MU3) in NMLS. This form serves as the application for the license through NMLS.	NMLS
<input type="checkbox"/>	Other Trade Names If this branch is operating under a name that is different from the applicant's legal name, that name ("Trade Name", "Assumed Name" or "DBA") must be listed under the <i>Other Trade Names</i> section of both the Branch Form (MU3) and the Company Form (MU1). TX SML does not limit the number of other trade names. If operating under an "Other Trade Name", upload the Assumed Name Certificate regarding the ability to do business under that trade name. Information about registering a trade name in Texas can be obtained from the Texas Secretary of State .	NMLS Upload in NMLS: under the Document Type Trade Name/Assumed Name Registration Certificates in the <i>Document Uploads</i> section of the Company Form (MU1).
<input type="checkbox"/>	Branch Manager: A Branch Manager must be designated for each licensed branch location. A Branch Manager is an individual whose principal office is	NMLS

	physically located in, who is in charge of, and who is responsible for the business operations of a branch office.	
<input type="checkbox"/>	Branch Manager (MU2) Attestation: Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable branch manager before it is able to be submitted along with the Branch Form (MU3).	NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS

Complete	TX-SML Mortgage Company Branch License	Submitted via...
<input type="checkbox"/>	<p>Branch Written Agreement: Submit a copy of the agreement between the licensed company and Texas Branch Manager, in compliance with applicable state and federal law if the company indicates “YES” under [Will this branch office and/or individuals at this branch office operate pursuant to a written agreement or contract with the main office?] The document must include the following information:</p> <p>The agreement should be signed by the Texas Branch Manager linked to the branch location and needs to detail some or all of the following: compensation terms, termination, employee duties, branch operations, confidential information and/or any miscellaneous verbiage between the company and the branch officer/individual. There should be two signatures and dates; one from the company representative and the other from the branch manager.</p> <p>This document should be named <i>Branch Manager Agreement</i>.</p>	<p>Upload in NMLS: under the Document Type <u>Branch Written Agreement</u> in the <i>Document Uploads</i> section of the Branch Form (MU3).</p>
<input type="checkbox"/>	<p>Designation of Branch Qualified Employee: A Qualified Employee must be designated for each branch location. This may be a separate individual from the Branch Manager identified in NMLS. The MU3 form filing must recognize a sponsored TX-SML residential mortgage loan originator under this location. There must be at least one sponsored active TX-SML residential mortgage loan originator designated under the branch location.</p> <p>A Qualified Employee may serve as the Branch Qualified Employee for multiple branches.</p>	

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS

No items are required to be submitted outside of NMLS for this license at this time.