



Description



NEW YORK MORTGAGE BANKER LICENSE

Who is required to have this license?

Companies that engage in the business of making three or more mortgage loans in a calendar year or more than five loans in a two year period on 1-4 family owner-occupied residential property located in the State of New York. Making a mortgage loans means for compensation or gain either directly or indirectly, advancing funds, offering to advance funds, or making a commitment to advance funds to an applicant for a mortgage loan or a mortgagor as a mortgage loan.

Note: If a company makes mortgage loans that were solicited, processed, placed, or negotiated by a mortgage banker, exempt organization or a mortgage broker, the de minimus loan volume referenced above does not apply and the company will be required to obtain a mortgage banker license.

Article 12-D, Section 590.1(a) prohibits a person, partnership, association, corporation or other entity from engaging in the business of making mortgage loans calendar year without first obtaining a license from the Superintendent of the Department of Financial Services of New York as a mortgage banker, unless exempted as outlined below.

Who does not need this license?

- Any individual, partnership, association, corporation or other entity which makes not more than three (3) mortgage loans in a calendar year, nor more than five (5) in a two year period, provided that no such mortgage loans were solicited, processed, placed or negotiated by a mortgage banker, exempt organization or mortgage broker.
- Employees of mortgage brokers and mortgage bankers licensed or registered in New York State pursuant to Article 12-D do not need to obtain a mortgage broker registration or mortgage banker license as long as they engage in mortgage loan origination on behalf of their employer. However, these individuals are required to file an MU4 application for licensing as a Mortgage Loan Originator pursuant to Article 12-E of the New York Banking Law.
- Any insurance company, banking organization, foreign banking corporation licensed by the Superintendent or the Comptroller of the Currency to transact business in New York State, national bank, federal savings bank, federal savings and loan association, federal credit union, or any bank, trust company, savings bank, savings and loan association, or credit union organized under the laws of any other state, or any instrumentality created by the United States or any state with the power to make mortgage loans.
- Any individual employed by an exempt organization as detailed above, as long as such individual is acting within the scope of the exempt entity's charter, license or registration.

What are the pre-requisites for license applications?

Net worth:	\$250,000 minimum
Bond amount:	\$50,000 - \$500,000 (See Part 410.9 Superintendents Regulations)
Line of Credit:	\$1,000,000 minimum

Background check Yes
Credit check Yes
Experience Each applicant for a mortgage banker license must employ a Qualifier with a minimum of five (5) years verifiable experience in making residential mortgage loans or similar lending or credit evaluation experience

Note: Please refer to the mortgage banker checklist for the complete list of requirements for a New York mortgage banker license.

WHO TO CONTACT- For questions concerning a mortgage banker license, please contact the Department at Mortgage.Banker@dfs.ny.gov.

YOU ARE PROHIBITED FROM ENGAGING IN RESIDENTIAL MORTGAGE ORIGINATION ACTIVITIES UNTIL YOU ARE APPROVED BY THE SUPERINTENDENT OF BANKS OF THE STATE OF NEW YORK AND A REGISTRATION HAS BEEN ISSUED IN YOU OR YOUR COMPANY'S NAME.