



New Application Checklist Jurisdiction-Specific Requirements



ARIZONA MORTGAGE BROKER BRANCH LICENSE

INSTRUCTIONS

1. Each branch location desiring to conduct business under this license authority must be separately authorized and will require a filing of Form MU3 through the NMLS. A branch location is defined as an office of the licensee acting as a mortgage broker that is separate and distinct from the licensee's principal place of business in Arizona.
2. All locations that will be licensed in Arizona and where the licensee conducts business with consumers shall designate a manager for each branch office to oversee that office. A person may be designated as the manager for more than one branch.
3. A Responsible (Qualifying) Individual may serve as branch manager of the licensee's branch office.
4. If this branch location plans on using a trade name ("dba") not used by any other licensed location in Arizona, this will require an application for a new company name and license.
5. The AzDFI Application Fee is \$250.00 which must be sent to AzDFI. The NMLS processing fee is \$20.00, which is collected by NMLS.
6. All fees that are collected ARE NOT REFUNDABLE.
7. AzDFI licensing department will review the filing and all required documents and communicate with you through NMLS. To review your status in NMLS, click the Tasks tab and click Work List.
8. Jurisdiction-specific requirements as identified on the checklist below must be received with this checklist within 5 business days of the electronic submission of your application through the NMLS at the following:

For U.S. Postal Service:

Arizona Department of Financial Institutions
Licensing Department
2910 N. 44th Street Suite 310
Phoenix, AZ 85018

For Overnight Delivery:

Arizona Department of Financial Institutions
Licensing Department
2910 N. 44th Street Suite 310
Phoenix, AZ 85018

NMLS Unique ID Number: _____ (REQUIRED)

AzDFI Main License Number (if applicable): _____ (REQUIRED)

Applicant Legal Name: _____ (REQUIRED)

ATTACHED	NOT APPLICABLE	ITEM
<input type="checkbox"/>	<input type="checkbox"/>	FEES. See explanation below.
<input type="checkbox"/>	<input type="checkbox"/>	COPY OF LEASE AGREEMENT. <input type="checkbox"/> Leased/Rented <input type="checkbox"/> Owned If office is leased/rented then please provide a copy of the lease agreement. If office is subleased, then also provide a copy of the original lease/rental agreement along with sublease agreement.
<input type="checkbox"/>	<input type="checkbox"/>	DISCLOSURE QUESTIONS. Provide complete details of all events or proceedings for any "Yes" answer to any of the Disclosure questions for the Branch Manager and provide a copy of any applicable orders or documents.
<input type="checkbox"/>	<input type="checkbox"/>	AFFIDAVIT. This form must be filled out and signed by an Officer/Owner/Member of the company on record with AzDFI.

WHO TO CONTACT – Contact Arizona Department of Financial Institutions licensing staff by e-mailing your questions to licensing@azdfi.gov for additional assistance.

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

FEES

The AzDFI Non-Refundable Application fee is \$250.00, which must be sent with this checklist. AzDFI does have a licensing fee. Just before your new application is approved, you will be invoiced for the licensing fee amount. The license will not be issued until this amount is paid. There is an initial NMLS processing fee of \$20.00 for each branch record for each state. The \$20.00 NMLS processing fee is charged annually.



ARIZONA
Department of Financial Institutions

2910 N. 44th Street | Suite 310 | Phoenix, AZ 85018
Ph: 602-771-2800 | Fx: 602-381-1225 | www.azdfi.gov

Attention: Mortgage Banker (Lender) / Brokers

Branch Verification Required for all Branch Locations

A.R.S. §§ 6-903(O) and 6-944(A) state, in pertinent part, that a mortgage broker license and a mortgage banker license are “**not transferable or assignable**” without the prior written consent of the superintendent.

Engaging in any of the activities listed below, commonly referred to as “net branching,” can result in the Department taking regulatory enforcement action up to and including license revocation and the imposition of a civil money penalty of not more than **five thousand dollars (\$5,000.00)** for each violation for each day. THIS IS NOT AN EXHAUSTIVE LIST.

- **DON'T** transfer or assign your mortgage broker or banker license to “branch managers” or “owners.”
- **DON'T** require branch managers to pay for branch start up costs, including, but not limited to, the cost of branch office licenses, bank account deposits, background checks, accounting fees, HUD license fees, security deposits, training, payroll fees, and loan software fees.
- **DON'T** require branch managers to sign agreements to pay monthly fees for using your license.
- **DON'T** fail to assume responsibility and liability for branch office leases that are rightfully your responsibility. You or your designated officers should sign rent and equipment leases, not branch managers.
- **DON'T** fail to assume the responsibility and liability for branch office equipment leases that are rightfully your responsibility. Branch managers should not sign these leases.
- **DON'T** fail to assume the responsibility and liability for utilities, office supplies and equipment, appraisals, alarm equipment, and any other bills incurred by branches. Bills, utilities, and invoices should be in licensee’s name.
- **DON'T** inform the Better Business Bureau that your branches are independent.
- **DON'T** fail to account for all branch income and expenses on tax returns and on financial statements.
- **DON'T** fail to maintain physical access to your branches at all times.
- **DON'T** fail to maintain control over the payment of your branch expenses.
- **DON'T** fail to maintain a uniform settlement service fee structure among all of your branch offices. Borrowers should be able to pay the same fees at any office. You should not allow branch managers to set their own fee structure.

- **DON'T** pay W-2 income to companies owned by branch managers in an attempt to evade taxes.
- **DON'T** fail to employ practices and procedures consistent with all HUD guidelines.
- **DON'T** fail to maintain control over branch bank accounts or allow branch managers to write payroll checks and reimburse themselves for expenses.

For more information, please access www.hudclips.org and click on “Access HUD Letters and Notices from past years” to read, among other things, Mortgagee Letter 00-15, which addresses “Prohibited Branch Arrangements.”



ARIZONA
Department of Financial Institutions

2910 N. 44th Street | Suite 310 | Phoenix, AZ 85018
Ph: 602-771-2800 | Fx: 602-381-1225 | www.azdfi.gov

Affidavit – Must be Signed by an Officer and Notarized

STATE OF _____

COUNTY OF _____

I _____ being duly sworn, depose and say that I have signed the
print officer's name
foregoing application as _____ of the above named applicant, having full authority to
print officer's title

sign such jurisdiction forms in said capacity; that I have read said jurisdiction forms and that the information contained therein is true.

(Date)

(Officer's Signature)

Subscribed and sworn to before me this _____ day of _____ 20 _____

My Commission Expires

(Notary Public Signature)