



## New Application Checklist Jurisdiction-Specific Requirements



### ARIZONA COMMERCIAL MORTGAGE BANKER NEW LICENSE CHECKLIST

#### Instructions:

1. **YOU MUST PROVIDE YOUR NMLS UNIQUE ID # AND ENTITY NAME AS ENTERED IN NMLS.**
2. **NAME USE IN ARIZONA:** You cannot use Trust, Savings, Bank or Banc in your name. You cannot indicate you are a Corporation, LLC, Partnership, LLP, or LTD in your name unless you are one. You can not use a name that is similar to any names already being used by other entities licensed by AzDFI.
3. Your Main Corporate Office will be used on the MU1 form. If your Main Corporate office is not located in Arizona, then you must also submit an MU3 form on NMLS and complete the Commercial Mortgage Banker Branch New License Checklist for your Arizona Principal Location. Arizona requires mortgage entities to designate and maintain a principal place of business in this state.
4. Each branch, located in or outside of Arizona, desiring to conduct Commercial Mortgage Banker business in Arizona must be licensed. You will need to complete Form MU3 through NMLS for each branch location you wish to license. You must also designate a branch manager for each branch location (a person may be designated the branch manager for more than one location). See the Commercial Mortgage Banker New Branch License Checklist.
5. The Responsible Individual for Arizona must be disclosed in NMLS under the 'Qualified Individual' section of Form MU1.
6. Entities who wish to transact business in Arizona under multiple trade names must apply for and obtain a separate Commercial Mortgage Banker's license for each trade name used.
7. **FINANCIAL STATEMENTS:** You will need to upload your financials onto NMLS. For additional help, see the [Financial Statement Information Page](#) on the NMLS website.
8. **APPLICATION FEE:** There is a non-refundable application fee of \$1,500.00 which must be sent with this checklist. The processing/review of your license application can not begin until AzDFI has received your license application and the non-refundable application fee. The NMLS non-refundable processing fee is \$100.00 and is collected thru NMLS.
9. AzDFI licensing Department will process/review your license application and then notify you of any deficiencies through NMLS. To review your status in NMLS, click the Tasks tab and click Work List.

10. Jurisdiction-specific requirements, as identified on the checklist below, must be submitted to AzDFI along with the applicable fee within 5 business days of the electronic submission of your license request through the NMLS. Please send all documents and fees to:

*For U.S. Postal Service and Overnight Deliver:*

*Arizona Department of Financial Institutions  
Licensing Division  
2910 N. 44<sup>th</sup> Street, Suite 310  
Phoenix, AZ 85018*

**WHO TO CONTACT** – For questions regarding Arizona requirements and/or guidelines, contact the licensing Division of the Arizona Department of Financial Institutions (“AzDFI”) by phone at (602) 771-2800 or send your questions via e-mail to [licensing@azdfi.gov](mailto:licensing@azdfi.gov). For questions on how to navigate through the NMLS or how to check your license status on NMLS or how to find deficiencies on your Amendment request on NMLS, you will need to contact the NMLS Call Center at (240) 386-4444.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF ARIZONA STATE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING/AMENDING. THE JURISDICTION SPECIFIC REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE YOUR APPLICATION/AMENDMENT THROUGH NMLS. AzDFI HAS A LINK TO THE ARIZONA STATUTES AND RULES ON ITS WEBSITE AT [www.azdfi.gov](http://www.azdfi.gov). SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.

# NEW LICENSE APPLICATION CHECKLIST

NMLS Entity ID #: \_\_\_\_\_

Entity Legal Name: \_\_\_\_\_

Name in which you will be transacting business in Arizona (including any trade name):  
\_\_\_\_\_

ATTACHED	NOT APPLICABLE	ITEM
		<p><b><u>IMPORTANT:</u></b> You should review the statutes (Arizona Revised Statutes Title 6, Chapter 9, Article 3) and rules (Arizona Administrative Code Title 20, Chapter 4) for Commercial Mortgage Bankers. The statutes and rules provide definitions, licensing requirements and licensing exemptions. We have a link to the statutes and rules on our website at <a href="http://www.azdfi.gov">www.azdfi.gov</a>. You may also click on the word <a href="#">statute</a> or <a href="#">rules</a> to link you directly to them.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>If your Main/Corporate office is not located in Arizona, then you must list below your Arizona principle place of business:</p> <p>NMLS Branch ID Number: _____</p> <p>Address: _____ _____</p>
<input type="checkbox"/>		<p><b><u>THE RESPONSIBLE INDIVIDUAL MUST:</u></b></p> <ul style="list-style-type: none"> <li>Be a resident of this state and shall be in active management of the activities of the licensee in this state during the entire period of designation as the RI on the license.</li> <li>A W2 employee of the company (an employee <b>does not include</b> an independent contractor).</li> <li>Be a person of stability as indicated by their credit report and employment history.</li> <li>Have at least three years' experience in the commercial mortgage business or equivalent experience in a related business.</li> </ul> <p><b><u>YOU MUST INCLUDE WITH THIS CHECKLIST:</u></b> Provide original letters from current and past employers verifying job experience and period of time serving in this capacity. Verifications must be on that Company's Letterhead. This verification must provide job description in terminology consistent with the equivalent and related experience outlined below and dates month/day/year of employment in that qualifying capacity. Do not send W2's, resumes, personal references or education as proof of job experience.</p>

		<p><b>"Active management"</b> means directing a licensee's activities by a responsible individual, who: Is knowledgeable about the licensee's Arizona activities; Supervises compliance with: The laws enforced by the Department of Financial Institutions as they relate to the licensee, and Other applicable laws and rules; and Has sufficient authority to ensure compliance.</p> <p><b>"Resident of this state"</b> means a natural person domiciled in Arizona.</p> <p><b>"Responsible individual" or "responsible person"</b> as those terms are used in A.R.S. §§ 6-903, 6-943, 6-973, and 6-976, means a resident of this state who: Lives in Arizona during the entire period of designation as the responsible individual on a license; Is in active management of a licensee's affairs; Meets the qualifications listed in A.R.S. §§ 6-903, 6-943, or 6-973; and Is an officer, director, member, partner, employee, or trustee of a licensed entity.</p> <p><b>Equivalent and Related Experience</b></p> <p>A. An applicant may satisfy the three years' experience requirement of A.R.S. § 6-973 by the types of lending-related experience listed in this subsection. The Department counts each month in the following types of work experience towards the three years required either for a commercial mortgage banker license, or as a responsible individual, both under A.R.S. § 6-973(D). The Department counts a fractional month of experience, at least 15 days long, as a full month.</p> <ol style="list-style-type: none"> <li>1. Commercial mortgage banker with an Arizona license, or Responsible Individual or branch manager for a licensee;</li> <li>2. Mortgage broker with Arizona license, or Responsible Individual or branch manager for a licensee;</li> <li>3. Mortgage banker with an Arizona license, or Responsible Individual or branch manager for a licensee;</li> <li>4. Loan officer, with responsibility primarily for loans secured by lien interests on commercial real property;</li> <li>5. Lender's branch manager, with responsibility primarily for loans secured by lien interests on commercial real property;</li> <li>6. Commercial mortgage banker with license from another state, or Responsible Individual for the commercial mortgage banker;</li> <li>7. Mortgage broker with license from another state, or Responsible Individual for the mortgage broker;</li> <li>8. Mortgage banker with license from another state, or responsible individual for the mortgage banker;</li> <li>9. Attorney certified by any state as a real estate specialist.</li> </ol> <p>B. The experience of an applicant with insufficient actual experience of the types listed in subsection (A) is reviewed and evaluated on a case by case basis.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b>TRADE NAMES:</b> To do business under a "DBA" or a "Trade Name", you must register your DBA or Trade Name. Contact the <a href="#">Arizona Secretary of State</a>. You must submit an approved copy of your certificate of Trade Name registration with your application. You may only transact business in the name approved and listed on your AzDFI license. This means you can not use your legal name if you are approved and licensed by AzDFI to use a DBA or Trade Name. Each DBA or Trade Name you wish to transact business in requires a separate license.</p>

<input type="checkbox"/>		<p><b><u>NET WORTH REQUIREMENT:</u></b></p> <p>The minimum net worth requirement is \$100,000.</p>
<input type="checkbox"/>		<p><b><u>BOND REQUIREMENT:</u></b></p> <p>You must carry a bond, Certificate of Deposit (CD), or Investment Certificate. The CD or Investment Certificate must be payable or assigned to the Arizona State Treasurer. (Please review the Commercial Mortgage Banker statutes for details).</p> <p><b>Do you use any investors that are not institutional investors?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b><u>AzDFI Mortgage Surety Bond</u></b></p> <p><b>If yes</b>, the bond/CD required shall be \$100,000.  <b>If no</b>, the bond/CD required shall be \$25,000.</p>
<input type="checkbox"/>		<p><b><u>FINANCIAL STATEMENT REQUIREMENT:</u></b></p> <p>The applicant must upload into NMLS, in pdf format, the most current <b><u>CPA Audited Financial Statements</u></b> on the applicant or that of the applicant's parent company that have been prepared by an independent certified public accountant in accordance with generally accepted accounting principles. The CPA must include all of the following in the audited financial statements package:</p> <ol style="list-style-type: none"> <li>a) The certified public accountant's opinion as to the fairness of the presentation in conformity with GAAP</li> <li>b) A balance sheet prepared within the previous six months and certified by the applicant. (A more recent balance sheet may be required.)</li> <li>c) A statement of operations and retained earnings and a statement of changes in financial position.</li> <li>d) Notes to the financial statement, if applicable.</li> </ol> <p style="text-align: center;"><b><u>OR</u></b></p> <p>If the applicant's own resources are derived exclusively from correspondent contracts with institutional investors, the applicant must upload into NMLS, in pdf format, the most current financial statement or that of the applicant's parent company prepared according to generally accepted accounting principles including:</p> <ol style="list-style-type: none"> <li>a) A balance sheet prepared within the immediately preceding six months and certified by the applicant. The Superintendent may require a more recent balance sheet.</li> <li>b) If the applicant has begun operations, a statement of operations and retained earnings and a statement of changes in financial position.</li> <li>c) Notes to the financial statement, if applicable.</li> </ol> <p><b>If the audited financials are older than 6 months, AzDFI requires a current, unaudited, signed Balance Statement and Profit &amp; Loss statement in addition to the most current audited financials.</b></p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>RECORD STORAGE:</u></b></p> <p><b>Will the records of the applicant be kept on a computer or mechanical record keeping system?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, you must read and comply with A.A.C. R20-4-1907(A) regarding</p>

		computer or mechanical record keeping requirements.																
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>ORGANIZATION DOCUMENTATION:</u></b></p> <ul style="list-style-type: none"> <li>• The Corporate Charter or Articles of Incorporation (if a corporation), or</li> <li>• The Articles of Organization and Operating Agreement (if a Limited Liability Company), or</li> <li>• The Partnership Agreement (if a partnership of any form)</li> </ul>																
<input type="checkbox"/>		<p><b><u>FEES:</u></b></p> <p><b>The applicant will need to include a check payable to AzDFI for the non-refundable application fee of \$1,500.</b></p> <p>Once your application has been approved, you will be invoiced for the pro-rated licensing fee. The license will not be issued until AzDFI has received the pro-rated license fee. NMLS assesses a processing fee of \$100.00 for each company record for each state, which is collected thru NMLS and is assessed annually.</p>																
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>Certificate of Good Standing:</u></b></p> <p>Provide a copy of the Certificate of Good Standing, dated not more than 60 days prior to the filing of the application thru NMLS, for the applicant from Arizona.</p> <p>If the applicant is domiciled in a state other than Arizona, the applicant must also include a copy of the Certificate of Good Standing, dated not more than 60 days prior to the filing of the application thru NMLS, for the applicant from the state of domicile.</p> <p><u>NOTE: The Certificate of Good Standing is not required if the applicant is a sole proprietor or partnership.</u></p>																
<input type="checkbox"/>	<input type="checkbox"/>	<p>List all licenses issued by this Department that are held or have been held by any of the applicants owners, partners, members, officers, responsible individual, or any other persons named in schedule A and B of the MU1 and the capacity of their interests.</p> <table border="1"> <tr> <td>Individual Name:</td> <td>Capacity:</td> <td>Company Name:</td> <td>AzDFI License #:</td> </tr> <tr> <td>Individual Name:</td> <td>Capacity:</td> <td>Company Name:</td> <td>AzDFI License #:</td> </tr> <tr> <td>Individual Name:</td> <td>Capacity:</td> <td>Company Name:</td> <td>AzDFI License #:</td> </tr> <tr> <td>Individual Name:</td> <td>Capacity:</td> <td>Company Name:</td> <td>AzDFI License #:</td> </tr> </table> <p>Attach separate sheet if necessary</p>	Individual Name:	Capacity:	Company Name:	AzDFI License #:	Individual Name:	Capacity:	Company Name:	AzDFI License #:	Individual Name:	Capacity:	Company Name:	AzDFI License #:	Individual Name:	Capacity:	Company Name:	AzDFI License #:
Individual Name:	Capacity:	Company Name:	AzDFI License #:															
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Individual Name:	Capacity:	Company Name:	AzDFI License #:															

<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>COPY OF LEASE AGREEMENT:</u></b>                      <input type="checkbox"/> Leased/Rented    <input type="checkbox"/> Owned</p> <p>If the main/corporate office is leased/rented then please provide a copy of the lease agreement. If the main/corporate office is subleased, then also provide a copy of the original lease/rental agreement along with sublease agreement.</p>
<input type="checkbox"/>		<p><b><u>FINGERPRINT CARD &amp; FEE:</u></b> Provide one (1) fingerprint card &amp; fingerprint processing fee of \$24.00 with this application Checklist for each Officer, Director, Member and owner (these will be all persons listed as a control person on the MU1). The fingerprint processing fee must be on a separate check from any other fees sent to AzDFI. To acquire a fingerprint card from AzDFI:, (a) pick one up in person, (b) fax a request to (602) 381-1225, or (c) email your request to <a href="mailto:licensing@azdfi.gov">licensing@azdfi.gov</a>. When requesting the fingerprint card via fax or email, you must include your name and address of where to send the fingerprint card. <b>NOTE:</b> The fingerprint card will be used to run a National criminal background check with the FBI. You will be required to provide a government photo ID at the time you have your fingerprints taken. <a href="#">Link to Fingerprint Instructions</a>.</p>
<input type="checkbox"/>		<p><b><u>CREDIT REPORT:</u></b> Each Owner, Officer, Director or Member shall provide a copy of their current credit report. Each Owner, Officer, Director or Member will need to provide a detailed written explanation for any and all past or current derogatory credit.</p>
<input type="checkbox"/>		<p><b><u>IDENTIFICATION &amp; EXPERIENCE:</u></b> Each Owner, Officer, Director or Member shall provide a legible copy of their driver’s license. Each should also provide a written detailed summary of their mortgage experience.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>PERSONAL FINANCIAL STATEMENT:</u></b> Each individual who directly or indirectly controls the applicant shall provide a personal financial statement. <a href="#">AzDFI Personal Financial Statement</a>.</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>DISCLOSURE QUESTIONS:</u></b> Provide complete written details of all events or proceedings for any “Yes” answer to any of the Disclosure questions on NMLS for the company (MU1) or any Control Person (MU2). Include copies of supporting documentation, such as administrative orders, civil and/or criminal legal (pending charges, convictions, or dismissals).</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><b><u>ARIZONA STATEMENT OF CITIZENSHIP AND ALIEN STATUS FOR STATE PUBLIC BENEFITS:</u></b> This form is only required to be completed if the applicant is a Sole Proprietor. <a href="#">Arizona Statement of Citizenship and Alien Status for State Public Benefits</a>.</p>
<p><b>INDIVIDUAL TO CONTACT REGARDING THIS AMENDMENT REQUEST</b></p>		<p>Name: _____ Title: _____</p> <p>Phone number &amp; extension: _____</p> <p>Email: _____</p>

<b>AUTHORIZED SIGNOR</b>	_____
	Signature <span style="float: right;">Print Name &amp; Title</span>