



Description



ARIZONA COMMERCIAL MORTGAGE BROKER LICENSE

Who is required to have this license?

Any person, who for compensation or in the expectation of compensation, either directly or indirectly makes, negotiates or offers to make or negotiate commercial mortgage loans.

“Person” means a natural person or any legal or commercial entity including a corporation, business trust, estate, trust, partnership, limited partnership, joint venture, association, limited liability company, limited liability partnership, or limited liability limited partnership.

Who does not need this license? A.R.S. Section 6-902

1. A person who does business under any other law of this state, or law of any other state while regulated by a state agency of such other state or the United States, relating to banks, savings banks, trust companies, savings and loan associations, profit sharing and pension trusts, credit unions, insurance companies or consumer lenders, or receivership, including directly or indirectly making, negotiating or offering to make or negotiate a mortgage loan if the mortgage transactions are regulated by the other law or are under the jurisdiction of a court. Subsidiaries and service corporations of these institutions shall not be exempt and shall be subject to the provisions of this article unless preempted by federal law.
2. A person who makes a mortgage loan:
 - (a) With his own monies.
 - (b) For his own investment.
 - (c) Without intent to resell.
 - (d) And is not engaged in the business of making mortgage loans.
3. A person who funds a mortgage loan which has been originated and processed by a licensee, by a mortgage banker licensed in this state or by a person exempt under paragraph 1 of this subsection and who meets all of the following:
 - (a) Does not maintain a place of business in this state in connection with funding mortgage loans.
 - (b) Does not directly or indirectly solicit borrowers in this state for the purpose of making mortgage loans.
 - (c) Does not participate in the negotiation of mortgage loans.
4. A person who, as seller of real property, receives one or more mortgages or deeds of trust as security for a purchase money obligation.
5. A person who is licensed to practice law in this state, but is not actively and principally engaged in the business of negotiating mortgage loans, if this person renders services in the course of his practice as an attorney at law.

6. A person who receives a mortgage or deed of trust on real property as security for an obligation payable on an installment or deferred payment basis and arising out of materials furnished or services rendered in the improvement of that real property or any lien created without the consent of the owner of the real property.
7. A person who is licensed pursuant to article 2 or 3 of this chapter.
8. An agency of any state or of the United States.
9. A nonprofit federally tax exempt corporation certified by the United States small business administration and organized to promote economic development within this state whose primary activity consists of providing financing for business expansion.
10. An institutional investor as defined in section 6-971 unless the institutional investor makes a mortgage loan other than a commercial mortgage loan as defined in section 6-971.

Pre-requisites for license applications?

- **Bond amount:** The bond required by this section shall be ten thousand dollars for licensees whose investors are limited solely to institutional investors and fifteen thousand dollars for licensees whose investors include any noninstitutional investors.

"Institutional investor" means a state or national bank, a state or federal savings and loan association, a state or federal savings bank, a state or federal credit union, a federal government agency or instrumentality, a quasi-federal government agency, a financial enterprise, a licensed real estate broker or salesman, a profit sharing or pension trust, or an insurance company.

"Investor" means any person who directly or indirectly provides to a mortgage broker funds that are, or are intended to be, used in the making of a loan, and any person who purchases a loan, or any interest therein, from a mortgage broker or in a transaction that has been directly or indirectly arranged or negotiated by a mortgage broker.

- **Experience:**
 1. Have not less than three years' experience in the commercial mortgage broker business or equivalent lending experience in a related business during the five years immediately preceding the time of application.
 2. Have made in the past or intend to make or negotiate or offer to make or negotiate commercial mortgage loans.
- **Provide the Superintendent with the following:**
 1. A balance sheet prepared within the immediately preceding six months and certified by the licensee. The Superintendent may require a more recent balance sheet.
 2. If the applicant has begun operations, a statement of operations and retained earnings and a statement of changes in financial position.
 3. Notes to the financial statement if applicable.

WHO TO CONTACT – Contact Arizona Department of Financial Institution licensing staff by phone at 602-771-2800 or send your questions via e-mail 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.