



New Application Checklist Jurisdiction-Specific Requirements



ARIZONA COMMERCIAL MORTGAGE BROKER 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 Broker 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 Broker 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 Broker 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 Broker'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 \$800.00 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. 44th 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. 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. 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><u>IMPORTANT:</u> You should review the statutes (Arizona Revised Statutes Title 6, Chapter 9, Article 1) and rules (Arizona Administrative Code Title 20, Chapter 4) for Commercial Mortgage Brokers. The statutes and rules provide definitions, licensing requirements and licensing exemptions. We have a link to the statutes and rules on our website at www.azdfi.gov. You may also click on the word statute or rules 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> <p>_____</p>
<input type="checkbox"/>		<p><u>THE RESPONSIBLE INDIVIDUAL MUST:</u></p> <ul style="list-style-type: none"> 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. A W2 employee of the company (an employee does not include an independent contractor). Be a person of stability as indicated by their credit report and employment history. 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. <p><u>YOU MUST INCLUDE WITH THIS CHECKLIST:</u> 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 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>"Active management" 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>"Resident of this state" means a natural person domiciled in Arizona.</p> <p>"Responsible individual" or "responsible person" 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>
<input type="checkbox"/>	<input type="checkbox"/>	<p>TRADE NAMES: To do business under a "DBA" or a "Trade Name", you must register your DBA or Trade Name. Contact the Arizona Secretary of State. 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>NET WORTH REQUIREMENT:</p> <p>Must be solvent as defined under A.R.S. Section 47-1201.</p>
<input type="checkbox"/>		<p>BOND REQUIREMENT:</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 Broker statutes for details).</p> <p>Do you use any investors that are not institutional investors? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>AzDFI Mortgage Surety Bond</p> <p>If yes, the bond/CD required shall be \$15,000. If no, the bond/CD required shall be \$10,000.</p>
<input type="checkbox"/>		<p>FINANCIAL STATEMENT REQUIREMENT:</p> <p>The applicant must upload into NMLS, in pdf format, the most current Un-Audited Financial Statements on the applicant.</p> <p>The financials shall include the following:</p> <p>(a) A balance sheet prepared within the immediately preceding six months and certified by the licensee. The superintendent may require a more recent balance sheet.</p> <p>(b) If the applicant has begun operations, a statement of operations and retained earnings and a statement of changes in financial position.</p> <p>(c) Notes to the financial statement if applicable.</p> <p>Applicants whose own resources are derived exclusively from correspondent contracts with institutional investors shall provide the superintendent with a current financial statement or that of its parent company prepared according to generally accepted accounting principles, including:</p>

		<p>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.</p> <p>2. If the applicant has begun operations, a statement of operations and retained earnings and a statement of changes in financial position.</p> <p>3. Notes to the financial statement if applicable.</p>								
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>RECORD STORAGE:</u></p> <p>Will the records of the applicant be kept on a computer or mechanical record keeping system? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, you must read and comply with A.A.C. R20-4-917(A) regarding computer or mechanical record keeping requirements.</p>								
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>ORGANIZATION DOCUMENTATION:</u></p> <ul style="list-style-type: none"> • The Corporate Charter or Articles of Incorporation (if a corporation), or • The Articles of Organization and Operating Agreement (if a Limited Liability Company), or • The Partnership Agreement (if a partnership of any form) 								
<input type="checkbox"/>		<p><u>FEES:</u></p> <p>Total number of commercial mortgage banking loans and commercial mortgage loans the applicant closed or negotiated in the previous calendar year (January 1 through December 31):</p> <p>The applicant will need to include a check payable to AzDFI for the non-refundable application fee of \$800.</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><u>Certificate of Good Standing:</u></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</td> </tr> </table>	Individual Name:	Capacity:	Company Name:	AzDFI License #:	Individual Name:	Capacity:	Company Name:	AzDFI
Individual Name:	Capacity:	Company Name:	AzDFI License #:							
Individual Name:	Capacity:	Company Name:	AzDFI							

				License #:
		Individual Name:	Capacity:	Company Name:
		Individual Name:	Capacity:	Company Name:
				AzDFI License #:
				AzDFI License #:
Attach separate sheet if necessary				
<input type="checkbox"/>	<input type="checkbox"/>	<u>COPY OF LEASE AGREEMENT:</u> <input type="checkbox"/> Leased/Rented <input type="checkbox"/> Owned 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.		
<input type="checkbox"/>		<u>FINGERPRINT CARD & FEE:</u> Provide one (1) fingerprint card & 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 licensing@azdfi.gov . When requesting the fingerprint card via fax or email, you must include your name and address of where to send the fingerprint card. NOTE: 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. Link to Fingerprint Instructions .		
<input type="checkbox"/>		<u>CREDIT REPORT:</u> 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.		
<input type="checkbox"/>		<u>IDENTIFICATION & EXPERIENCE:</u> 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.		
<input type="checkbox"/>	<input type="checkbox"/>	<u>PERSONAL FINANCIAL STATEMENT:</u> Each individual who directly or indirectly controls the applicant shall provide a personal financial statement. AzDFI Personal Financial Statement .		
<input type="checkbox"/>	<input type="checkbox"/>	<u>DISCLOSURE QUESTIONS:</u> 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).		
<input type="checkbox"/>	<input type="checkbox"/>	<u>ARIZONA STATEMENT OF CITIZENSHIP AND ALIEN STATUS FOR STATE PUBLIC BENEFITS:</u> This form is only required to be completed if the applicant is a Sole Proprietor. Arizona Statement of Citizenship and Alien Status for State Public Benefits .		
INDIVIDUAL TO CONTACT REGARDING THIS		Name: _____ Title: _____		

<p>AMENDMENT REQUEST</p>	<p>_____</p> <p>Phone number & extension:</p> <p>_____</p> <p>Email:</p> <p>_____</p>
<p>AUTHORIZED SIGNOR</p>	<p>_____</p> <p>_____</p> <p>Signature Print Name & Title</p>