



Description



GEORGIA MORTGAGE BROKER/PROCESSOR LICENSE

Who is required to have this license?

Any person (Individual, sole proprietorship, corporation, limited liability company, partnership, trust, or any other group of individuals, however organized), unless otherwise exempt, who directly or indirectly solicits, processes, places, or negotiates mortgage loans for others, or offers to solicit, process, place, or negotiate mortgage loans for others or who closes mortgage loans which may be in the mortgage broker's own name with funds provided by others and which loans are assigned within 24 hours of the funding of the loans to the mortgage lenders providing the funding of such loans in Georgia.

Loan Processors are, by definition, required by Georgia law to have a mortgage broker's license or registration unless such person is otherwise exempt under Georgia law.

Georgia law defines a mortgage loan as a loan or agreement to extend credit made to a natural person, which loan is secured by a deed to secure debt, security deed, mortgage, security instrument, deed of trust, or other document representing a security interest or lien upon any interest in one-to-four family residential property located in Georgia, regardless of where made, including the renewal or refinancing of any such loan.

Who does not need this license?

Full information regarding exemptions provided for under the Georgia Residential Mortgage Act in Code Section 7-1-1001 is on the web under "*License Application Package*" at:

<http://dbf.georgia.gov/dbfmtgforms>

Some exemptions include:

- Federally insured financial institutions and their wholly owned subsidiaries;
- W-2 Employees of licensees and registrants (see Code);
- Attorneys who provide legal services who are not in the business of negotiating loans;
- Any person performing any act relating to mortgage loans under order of any court ;
- Nonprofit corporations making mortgage loans to promote home ownership or improvements for the disadvantaged;
- Any natural person who makes five or fewer mortgage loans in any one calendar year;
- Other...refer to Code Section 7-1-1001.

Pre-requisites for license applications:

- **State Fees:** \$250 Initial Investigation fee plus \$500 Annual License Fee
- **NMLS Processing Fees:** \$100 for a company, \$20 for a Branch (Included in Licensing Fee.)
- **Net Worth:** No specified amount. Tax return information and company financials are reviewed.
- **Bond Amount:** A Surety Bond in the form approved by the Department in the amount of \$50,000.
- **Criminal Background Check:** Fingerprint cards and a background check authorization form are required for all control persons (including branch managers) in the application. Processing fees in the appropriate amount as set forth in a schedule available from the Department must be paid.

For information see:

http://dbf.georgia.gov/00/channel_title/0,2094,43414745_46385619,00.html#GAPS

- **Credit check:** Submission of a credit report for all control persons is required.
- **Qualifying Education or Experience:** Applicant must have at least 2 year of origination experience as a supervised employee with a licensee OR completed 40 hours of specific pre-licensing education and testing. Out of state applicants with experience must have specific Georgia law (4 hours) and fraud (1 hour) classes totaling 5 hours of such education.
- **Continuing Education:** Brokers/Processors are required to have 12 hours of continuing education for each renewal period.
- **Student Loans/Child Support.** The Georgia Residential Mortgage Act also provides grounds for denial of any application for a mortgage license involving persons who have failed to repay student loans [See O.C.G.A. §7-1-1017(a)(3)]. Applicants having government supported student loans outstanding must be in “good standing” with the lender on those loans. Delinquent student loans must be brought current, or at least placed in forbearance status by the lender, before a favorable review can be accorded. Also, where an applicant has been found to be in noncompliance with an order for child support, such action is sufficient grounds for refusal of a license. [See O.C.G.A. §7-1-1017 (a) (2)].

WHO TO CONTACT – Contact the Department’s licensing staff by phone at 770-986-1136 or send your questions via e-mail to newapps@dbf.state.ga.us or 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 AND NOT AN EXHAUSTIVE LISTING. OTHER INFORMATION MAY BE REQUIRED. YOU ARE PROHIBITED FROM ENGAGING IN RESIDENTIAL MORTGAGE ORIGINATION ACTIVITIES UNTIL YOUR LICENSE IS APPROVED.