



Description



LOUISIANA RESIDENTIAL MORTGAGE LENDING LICENSE

Who is required to have this license?

A “Residential Mortgage Lending License” is required of any person who engages in residential mortgage activity as a “**mortgage lender**” or “**mortgage broker**” that is not otherwise exempt.

Note: [Person] is defined as “any individual, firm, corporation, partnership, association, trust, or legal or commercial entity, or other group of individuals however organized.” LSA-R.S. 6:1083(13)

A “mortgage lender” or “residential mortgage lender” is any person who, directly or indirectly, originates or makes, or offers to originate or make a residential mortgage loan for another person. It also includes a mortgage lender that only engages in funding loans originated by licensed mortgage brokers and originators. The wholesale lender has no originators and does not engage in retail originations.

A “mortgage broker” or “residential mortgage broker” is any person who, directly or indirectly, for compensation or the expectation of compensation, negotiates, places, or finds, or offers to negotiate, place, or find a residential mortgage loan for another person. “Mortgage broker” also shall include an approved Federal Housing Administration loan correspondent or a residential mortgage lender who closes a residential mortgage loan in his own name but for whom the funding for the loan is provided by a third party lender in a process known as table funding.

Please refer to the Jurisdiction specific checklists for additional application information or the Louisiana S.A.F.E. Residential Mortgage Licensing Act for statutory provisions.

Who does not need this license?

NOTE: Any persons engaged in residential mortgage transactions subject to an exemption provided for in LSA-R.S. 6:1087(F). Please note that LSA-R.S. 6:1087(A)(B)&(C) are no longer valid.

Pursuant to LSA-R.S. 6:1087(F) the following employers and their employees shall be exempt from obtaining a Residential Mortgage Broker/Lending license effective July 31, 2010. *Mortgage Loan Originator licensing exemptions are found in LSA-R.S. 6:1087(E).*

- Any attorney licensed to practice law when such attorney is not actively engaged in the business of making or brokering residential mortgage loans and the residential mortgage lending activity is incidental to providing legal services.
- Any nonprofit corporation exempt from federal taxation under Section 501(c) of the Internal Revenue Code making residential mortgage loans to promote home ownership or home improvements for the disadvantaged.
- Any agency of the federal government, or a state or municipal government, or any quasi governmental agency making residential mortgage loans under the specific authority of the laws of any state or the United States.
- Any person acting as a fiduciary with respect to any employee pension benefit plan qualified under the Internal Revenue Code who makes residential mortgage loans solely to plan participants from plan assets.

- Any real estate investment trust.
- Any person acting in a fiduciary capacity conferred by the authority of any court.
- Any person licensed as a small business investment company by the United States Small Business Administration.
- Any insurance company authorized by the insurance commissioner of this state or any other state and any resident or nonresident insurance producer who holds an unexpired producer license under Title 22 of the Louisiana Revised Statutes of 1950 who brokers loans exclusively to an insurer.
- Any depository institution or direct or indirect subsidiary thereof regulated by a federal banking agency.
- Any mortgagee in a residential loan transaction in which the mortgagee is the owner of the dwelling or residential immovable property.

What are the pre-requisites for license applications?

Background investigations:

- Each of the following individuals must submit two completed FD 258 or equivalent fingerprint cards, a Check for \$45.25 made payable to OFI and a completed Louisiana State Police authorization form:
 - Each individual who directly owns or controls a 10% or greater equity interest of the applicant;
 - Each executive officer or control person;
 - Each director;
 - Each individual who owns or controls a 25% or greater interest of a company/entity that is a direct owner or indirect owner of the applicant.

One of the following is required:

- \$25,000 Surety Bond authorized by a surety insurer licensed to do business in Louisiana. The bond shall name the Office of Financial Institutions as obligee.
- \$25,000 Pledged Deposit in a federally insured financial institution located in Louisiana and pledged for the benefit of The Office of Financial Institutions.

Pursuant to LSA-R.S. 6:1088, each applicant for any license governed by this Chapter shall, at the time of application for licensure or any renewal of a license, provide evidence of obtaining and maintaining a surety bond as provided for in this Section. The total dollar amount of the original outstanding principal balance of all residential mortgage loans originated by the applicant secured by immovable property located in this state, including all such loans originated by mortgage loan originators employed by the applicant during the previous calendar year and reported pursuant to this Subsection shall be used to determine the amount of the bond.

Dollar Amount of Total Loan Volume in Previous Calendar Years Lenders, Brokers, and Originators	Required Amount of Surety Bond
\$0 - \$99,999,999 - - - - -	\$25,000
\$100,000,000 or greater - - - -	\$50,000

An applicant for a mortgage originator license who is employed by, or is an exclusive agent for, a juridical person engaging in residential mortgage lending activities as a licensed mortgage broker or mortgage lender may satisfy the requirement of furnishing a surety bond by submitting evidence in a form and manner satisfactory to the commissioner that his employer or principal has obtained a surety bond which satisfies the requirements of this Section.

WHO TO CONTACT – For jurisdiction specific questions concerning licensure, contact Louisiana Office of Financial Institutions, Non-depository Division licensing staff by phone at 225-925-4660 or send questions via email to nmls@ofi.louisiana.gov. All other questions pertaining to the online application should be directed to the NMLS Call Center at (240) 386-4444.

YOU ARE NOT AUTHORIZED TO ENGAGE IN RESIDENTIAL MORTGAGE LENDING
ACTIVITY AS A MORTGAGE BROKER OR MORTGAGE LENDER IN THE STATE OF
LOUISIANA UNTIL YOU HAVE RECEIVED APPROVAL FROM THE LOUISIANA OFFICE OF
FINANCIAL INSTITUTIONS.