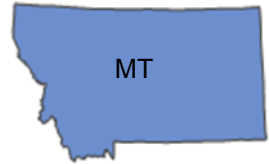




Description



MONTANA MORTGAGE LENDER LICENSE

Who is required to have this license?

Any entity (a business organization, including a sole proprietorship) that closes a residential mortgage loan, advances funds, offers to advance funds, or commits to advancing funds for a mortgage loan applicant.

An entity engaging in loan modification activity that falls within the above definition must be licensed as a mortgage lender.

A license is required for any entity that engages in the residential loan business with a Montana borrower from any location or from a Montana location with any borrower. A residential mortgage loan is a loan primarily for personal, family or household use secured by a security interest in a residential structure that contains 1 to 4 units, whether or not attached to real property, or residential real estate located in Montana. A residential structure includes a condo unit, a cooperative unit, and a mobile home or trailer, if used as a residence. Real property located in Montana upon which a dwelling is intended to be built within two years is included within this definition.

Who does not need this license?

- An entity that is an agency of federal, state, or municipal government.
- A depository institution.
- A subsidiary of a depository institution that is owned and controlled by a depository institution **and** regulated by a federal banking agency.
- A person who offers, negotiates, or provides financing in conjunction with the sale of real property owned by that person, as long as the financing is held throughout the term of the contract for deed, mortgage, or trust indenture by the person who owned the real property.
- An entity that makes a loan to its employee if the proceeds of the loan are used to assist the employee in meeting the employee's housing needs.
- An entity engaged solely in commercial real estate.
- An entity qualified as a pension plan under 26 U.S.C. § 401 if the plan makes mortgage loans only to its participants.
- The Federal National Mortgage Association, Home Loan Mortgage Corporation, and the Government National Mortgage Association.
- A 501(c)(3) corporation that makes mortgage loans to promote home ownership or Improvements for bona fide low-income individuals.

Pre-requisites for license applications?

- Net worth - none
- Surety bond
 - \$25,000 for a combined annual loan production that does not exceed \$50 million per year

- \$50,000 for annual loan production of \$50 million but not exceeding \$100 million per year
- \$100,000 for annual loan production of more than \$100 million per year
- Criminal and civil background check: principals, designated managers and loan originators
- Credit check: principals, designated managers and loan originators
- Experience: designated managers (3 years), loan originators (6 months)
- Testing: designated manager, and loan originators
- Education: designated managers and loan originators
- Nonrefundable state fee:
 - \$750 application fee for licenses issued from January 1 to June 30
 - \$375 for licenses issued from July 1 to December 31.

WHO TO CONTACT – Contact the Montana Division of Banking and Financial Institutions licensing staff by phone at (406) 841-2920 or send your questions via e-mail to mortgagelicensing@mt.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.