



DESCRIPTION



NORTH CAROLINA MORTGAGE BRANCH LICENSE

Who is required to have this license?

Any person (individual, partnership, limited liability company, limited partnership, corporation, association, or other group engaged in joint business activities, however organized) unless exempt, who engages in the business of making mortgage loans for compensation or gain, or to act, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly, by accepting or offering to accept an application for a mortgage loan, soliciting or offering to solicit a mortgage loan, negotiating the terms or conditions of a mortgage loan, issuing mortgage loan commitments or interest rate guarantee agreements to borrowers, or engaging in table funding of mortgage loans, whether such acts are done through contact by telephone, by electronic means, by mail, or in person with the borrowers or potential borrowers at a location other than the principal office.

The North Carolina Secure and Fair Enforcement Mortgage Licensing Act "MLA" defines "Make a residential mortgage loan" means to advance funds, to offer to advance funds, to make a commitment to advance funds to a borrower under mortgage loan, or to fund a residential mortgage loan. "Residential mortgage loan or mortgage loan" means any loan made or represented to be made to a natural person or persons primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling located within this State or residential real estate upon which is constructed or intended to be constructed a dwelling.

Who does not need this license?

- Any agency of the federal government or any state or municipal government granting mortgage loans under specific authority of the laws of any state or the United States.
- Any employee of a licensee whose responsibilities are limited to clerical and administrative tasks for his or her employer and who does not solicit borrowers, accept applications, or negotiate the terms of loans on behalf of the employer.
- Any person authorized to engage in business as a bank, a credit union, savings institution or a farm credit system, under the laws of the United States, this State, or any other state, upon filing and confirmation of a claim of exemption with the Office of the Commissioner of Banks.
- A subsidiary owned and controlled by a bank or savings institution and regulated by a federal banking agency, upon filing and confirmation of a claim of exemption.
- Any officer or employee of bank, credit union, savings institution, a farm credit system, or subsidiary of bank, or a savings institution upon the filing and confirmation of a claim of exemption with the Office of the Commissioner of Banks.
- Any licensed real estate agent or broker who is performing those activities subject to the regulation of the North Carolina Real Estate Commission. Notwithstanding the above, an exempt person does not include a real estate agent or broker who receives compensation of any kind in connection with the referral, placement, or origination of a mortgage loan.

- Any person who, as seller, receives in one calendar year no more than five mortgages, deeds of trust, or other security instruments on real estate as security for a purchase money obligation.

What are the pre-requisites for license applications?

Licensure:	Each mortgage broker or lender must be licensed to engage in the business of making mortgage loans for compensation or gain or to act, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly, by accepting or offering to accept an application for a mortgage loan, soliciting or offering to solicit a mortgage loan, negotiating the terms or conditions of a mortgage loan, issuing mortgage loan commitments or interest rate guarantee agreements to borrowers, or engaging in table funding of mortgage loans, whether such acts are done through contact by telephone, by electronic means, by mail, or in person with the borrowers or potential borrowers.
Branch Location:	An office of the licensee acting as a, mortgage broker or lender that is separate and distinct from the licensee's principal office/ headquarters.
Brokers must have a NC principal location:	Each mortgage broker licensee shall maintain and transact business from a principal place of business in North Carolina. A principal place of business in this NC shall consist of at least one enclosed room or building of stationary construction in which negotiations of mortgage loan transactions of others may be conducted and carried on in privacy and in which all of the books, records, and files pertaining to mortgage loan transactions relating to borrowers in this NC are maintained. Such office shall not be an individual's home or residence.
Branch Manager:	Each branch office of a mortgage broker or lender must have a licensed loan officer, with at least three years of experience in residential mortgage lending, meet financial responsibility requirements, and who is in charge of and responsible for the business operations of the branch location.

WHO TO CONTACT – Contact the NC Mortgage Licensing Division staff by phone at (919) 733-0589 or send your questions via e-mail to mortgage@nccob.gov for additional assistance.

YOU ARE NOT AUTHORIZED TO ENGAGE IN MORTGAGE BROKERING OR MORTGAGE ORINATION ACTIVITIES IN THE STATE OF NORTH CAROLINA UNTIL YOU HAVE RECEIVED A LICENSE APPROVAL THROUGH THE NMLS.