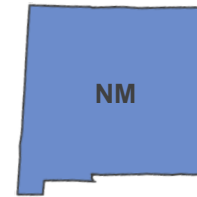




Description



NEW MEXICO MORTGAGE LOAN COMPANY LICENSE

Who is required to have this license?

Any company or sole proprietorship, who for compensation or gain, or in the expectation of compensation or gain, directly or indirectly accepts or offers to accept an application, negotiates or offers to negotiate the terms of a mortgage loan or solicits, processes, originates, brokers or makes mortgage loans for others.

Who does not need this license?

- A. banks, trust companies, savings and loan associations, credit unions, insurance companies or real estate investment trusts as defined in 26 U.S.C.A. 856;
- B. an attorney licensed to practice law in New Mexico who is not principally engaged in the business of negotiating loans secured by real or personal property, when that person renders services in the course of the person's practice as an attorney;
- C. a New Mexico-licensed real estate broker rendering service in the performance of that person's duties as a real estate broker who obtains financing for a real estate transaction involving an actual bona fide sale of real estate or real estate contract handled by the broker and who receives only the customary real estate broker's commission in connection with the transaction;
- D. a person doing an act under order of a court;
- E. an individual making a single mortgage loan in a calendar year with the individual's own funds for the individual's own investment without the intent to resell the mortgage loan;
- F. the United States of America, state of New Mexico or any of their branches, agencies, departments, boards, instrumentalities or institutions and all political subdivisions of the state and their agencies, instrumentalities and institutions; and
- G. a company licensed as a small business investment company under the federal Small Business Investment Act of 1958.

Pre-requisites for license applications?

- **Application** - Each mortgage loan company must apply for licensure using the MU1 form for the company, the MU2 form for all control persons (principals) and qualified managers and the MU3 form for all branches of the company doing business in New Mexico whether or not they are located in New Mexico.

- **Bond amount** - A surety bond in the amount of \$50,000 will be required for first year as a licensed mortgage loan company. After the first year, the surety bond will be based on the total dollar amount of mortgage loans originated annually in New Mexico by the licensee and will be based on the following scale:

\$0 - \$3,000,000 = \$50,000 surety bond

Greater than \$3,000,000 but less than \$10,000,000 = \$100,000 surety bond

Greater than \$10,000,000 = \$150,000 surety bond

- **Qualified Manager** - Each mortgage loan company must designate at least one Qualified Manager. Each Qualified Manager must obtain and maintain a New Mexico Mortgage Loan Originator License and must have not less than two years verifiable experience out of the past four years as a principal, partner, officer, director, manager, processor, underwriter or mortgage loan originator. Verifiable evidence shall include, but not be limited to: W-2s, 1099s, Tax Returns.
- **Financial Statement** - An unaudited financial statement must be provided.

WHO TO CONTACT – Contact Jackie Dalmy, mortgage licensing staff, by phone at 505-476-4908 or send your questions via e-mail to Jackie.dalmy@state.nm.us 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.