



Description



NEW YORK MORTGAGE BANKER LICENSE

Who is required to have this license?

Companies that engage in the business of making five or more mortgage loans on 1-4 family owner-occupied residential property located in the State of New York. Making a mortgage loans means for compensation or gain either directly or indirectly, advancing funds, offering to advance funds, or making a commitment to advance funds to an applicant for a mortgage loan or a mortgagor as a mortgage loan.

Article 12-D, Section 590.1(a) prohibits a person, partnership, association, corporation or other entity from engaging in the business of making five or more loan in any one calendar year without first obtaining a license from the Superintendent of Banks of the State of New York as a mortgage banker.

Who does not need this license?

- Employees of mortgage brokers and mortgage bankers licensed or registered in New York State pursuant to Article 12-D do not need to obtain a mortgage broker registration or mortgage banker license as long as they engage in mortgage loan origination on behalf of their employer. However, these individuals are required to file an MU4 application for authorization as an MLO pursuant to Article 12-E of the New York Banking Law as stated above.
- Insurance company, banking organization, foreign banking corporation licensed by the Superintendent or the Comptroller of the Currency to transact business in New York State, national bank, federal savings bank, federal savings and loan association, federal credit union, or any bank, trust company, savings bank, savings and loan association or credit union organized under the laws of any other state or any instrumentality created by the United States or any state with the power to make mortgage loans.
- Any individual employed by an exempt organization as detailed above, as long as such individual is acting within the scope of the exempt entity’s charter, license or registration.

What are the pre-requisites for license applications?

Net worth:	\$250,000 minimum
Bond amount:	\$50,000 - \$500,000 (See Part 410.9 Superintendents Regulations)
Line of Credit:	\$1,000,000 minimum
Background check	must meet the requirements as indicated here: http://www.dfs.ny.gov/banking/iambinstsh.htm
Credit check	Yes, included in Background Check
Experience	Minimum 5 years verifiable experience in making residential mortgage loans or similar lending or credit evaluation experience. Entity can engage a qualifier that has the required experience.

WHO TO CONTACT – Contact Joseph Barreiro licensing staff by phone at (212) 709-5596 or send your questions via e-mail to mbbdenovo@banking.state.ny.us for additional assistance.

YOU ARE PROHIBITED FROM ENGAGING IN RESIDENTIAL MORTGAGE ORIGINATION
ACTIVITIES UNTIL YOU ARE APPROVED BY THE SUPERINTENDENT OF BANKS OF THE
STATE OF NEW YORK AND A REGISTRATION HAS BEEN ISSUED IN YOU OR YOUR
COMPANY'S NAME.