



Description



TEXAS OFFICE OF CONSUMER CREDIT COMMISSIONER

RESIDENTIAL MORTGAGE LOAN ORIGINATOR LICENSE

Who is required to have this license?

An individual who for compensation or gain or in the expectation of compensation or gain, takes a residential mortgage loan application or offers or negotiates terms of a residential mortgage loan.

Definitions.

Residential Mortgage Loan-The Secure and Fair Enforcement for Mortgage Licensing (S.A.F.E.) Act of 2008 defines a residential mortgage loan as any loan 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 (as defined in section 103(v) of the Truth in Lending Act) or residential real estate upon which is constructed or intended to be constructed a dwelling (as so defined).

Dwelling-Section 103(v) of the Truth in Lending Act defines dwelling as a residential structure or mobile home which contains one to four family housing units, or individual units of condominiums or cooperatives.

Who does not need this license?

- An individual who performs solely administrative or clerical tasks on behalf of an individual licensed as a residential mortgage loan originator or exempt from licensure under Section 180.003, except as otherwise provided by Section 180.051.
- An individual who performs only real estate brokerage activities and is licensed or registered by the state as a real estate broker or salesperson, unless the individual is compensated by: a lender, mortgage broker, or other residential mortgage loan originator; or an agent of a lender, mortgage broker, or other residential mortgage loan originator.
- An individual licensed under Chapter 1201, Texas Occupations Code, unless the individual is directly compensated for arranging financing for activities regulated under that chapter by: a lender, mortgage broker, or other residential mortgage loan originator; or an agent of a lender, mortgage broker, or other residential mortgage loan originator.
- An individual who receives the same benefits from a financed transaction as the individual would receive if the transaction were a cash transaction.
- An individual who is involved solely in providing extensions of credit relating to timeshare plans, as defined by 11 U.S.C. Section 101(53D).
- A registered mortgage loan originator. "Registered mortgage loan originator" means an individual who: is a residential mortgage loan originator and is an employee of a depository institution; or a subsidiary that is owned and controlled by a depository institution, and regulated by a federal banking agency; or an institution regulated by the Farm Credit Administration; and is registered

with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.

Pre-requisites for Licensure:

- **Criminal Background Check-** Applicants must not have been convicted of, or pled guilty or no contest to, a felony in a domestic, foreign, or military court during the 7-year period preceding the date of application or, for a felony involving an act of fraud, dishonesty, breach of trust, or money laundering, at any time preceding the date of application. This paragraph does not apply with respect to any conviction for which the applicant has received a full pardon.
- **Credit History-** An applicant must demonstrate that he or she is financially responsible. A determination that an individual has not shown financial responsibility may include having current outstanding judgments other than those resulting from medical expenses, having current outstanding tax liens or other government liens and filings, or having, within the past 3 years, a foreclosure or any pattern of seriously delinquent accounts.
- **Testing-** Individuals must pass both the National and Texas components of the S.A.F.E. tests.
- **Education-** Individuals must obtain pre-license educational certification through NMLS.
- **Recovery Fund-** Applicants and licensed mortgage loan originators must pay a non-refundable \$25 recovery fund fee to the Office of Consumer Credit Commissioner at the time of application and at the time of renewal.

WHO TO CONTACT – Contact Office of Consumer Credit Commissioner licensing staff by phone at 512-936-7600 or send your questions via e-mail to licensing@occc.state.tx.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.

THE APPLICANT/LICENSEE IS NOT AUTHORIZED TO ENGAGE IN REGULATED MORTGAGE ACTIVITIES IN THE STATE OF TEXAS UNTIL A LICENSE HAS BEEN APPROVED BY THE COMMISSIONER.