



## Description



### WISCONSIN 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.

#### Who does not need this license?

An individual engaged solely as a loan processor or underwriter, unless the individual represents to the public, through advertising or another means of communication such as the use of business cards, stationery, brochures, signs, rate lists, or other promotional items, that the individual can or will perform any of the activities of a mortgage loan originator.

An individual who performs real estate brokerage activities only and is licensed under s. 452.03, Wis. Stats., unless the individual is compensated by a lender, mortgage broker, or another mortgage loan originator or by any agent of a lender, mortgage broker, or another mortgage loan originator.

An individual solely involved in extensions of credit relating to time-share plans, as defined in 11 USC 101 (53D).

An employee of the department of veterans affairs when engaged in duties related to administering the veterans housing loan program under subch. III of ch. 45, Wis. Stats.

An individual who is an employee of, and acting for, a depository institution, a subsidiary owned and controlled by a depository institution and regulated by a federal banking agency, or an institution regulated by the farm credit administration AND who is registered with, and who maintains a unique identifier through, the nationwide mortgage licensing system and registry.

An individual who offers or negotiates terms of a residential mortgage loan with or on behalf of the individual's spouse, child, sibling, parent, grandparent, or grandchild, including any stepparent, stepchild, stepsibling, or adoptive relationship.

An individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as the individual's residence.

A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of the client, unless the attorney is compensated by a lender, mortgage broker, or mortgage loan originator or by any agent of a lender, mortgage broker, or mortgage loan originator.

## Pre-requisites for license applications?

**Education and testing:** Pre-licensing education and testing is required for all mortgage loan originators. Pre-licensing education courses and tests will be reviewed and approved by the NMLS and only NMLS approved course providers and testers will be accepted. Approved course providers and testers will be published on the NMLS website.

An applicant must complete at least 20 hours of approved education, including all of the following:

- 3 hours on federal law and regulations.
- 3 hours on ethics, including instruction on fraud, consumer protection, and fair lending issues.
- 2 hours on lending standards for the nontraditional mortgage product marketplace.
- 12 hours of elective coursework related to the mortgage industry.

The pre-licensing testing requirement will be administered by a NMLS approved test provider and the test will measure the applicant's knowledge and comprehension in the subject areas of ethics and state and federal mortgage laws and regulations. Individuals must pass the SAFE test with a score of at least 75%.

**Criminal Background:** An applicant shall 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 the application or, for a felony involving an act of fraud, dishonesty, breach of trust, or money laundering, at any time preceding the date of the application. This paragraph does not apply with respect to any conviction for which the applicant has received a pardon.

**Regulatory Background:** An applicant shall not have had a mortgage loan originator license revoked in any governmental jurisdiction, unless the revocation was subsequently and formally vacated.

**Credit History:** An applicant must demonstrate that he or she is financially responsible. An individual has shown that he or she is not financially responsible if he or she has shown a disregard in the management of his or her own financial condition, including 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, foreclosures or any pattern of seriously delinquent accounts.

**Company Association:** A mortgage loan originator must act on behalf of a licensed mortgage banker or mortgage broker. Therefore, each mortgage loan originator must identify the mortgage banker or mortgage broker with whom he or she will be employed if a mortgage loan originator license is issued.

A mortgage loan originator shall be assigned to and work out of a licensed or registered office or branch office of the sponsoring mortgage banker, mortgage broker, or registered entity. This office shall either be the mortgage loan originator's residence or be within 100 miles of the mortgage loan originator's residence.

**WHO TO CONTACT –** Contact the Wisconsin Division of Banking licensing staff by phone at 608-261-7578 or send your questions via e-mail to [DFIMortgageBanking@Wisconsin.gov](mailto:DFIMortgageBanking@Wisconsin.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.