



Description



CALIFORNIA RESIDENTIAL MORTGAGE LENDING ACT LICENSE

Types of Licenses issued

A license can be issued as a residential mortgage lender, a residential mortgage loan servicer or both residential mortgage lender and residential mortgage loan servicer.

Who is required to have this license?

Any person or company that engages in the business of making residential mortgage loans or servicing residential mortgage loans for California borrowers.

Who does not need this license?

- Banks, trust companies, insurance companies, and industrial loan companies;
- Federally chartered savings and loan associations, federal savings banks, and federal credit unions;
- Savings and loan associations, savings banks, and credit unions authorized to conduct business in California;
- Persons engaged solely in business, commercial, or agricultural mortgage lending;
- Wholly owned service corporations of savings and loan associations or savings banks;
- Federal, state and municipal governments;
- Pension plans making residential mortgage loans to their participants;
- Persons acting in a fiduciary capacity conferred by the authority of a court;
- Licensed California real estate brokers;
- California finance lenders; and
- Trustees in a foreclosure proceeding.

Pre-requisites for license applications

- A residential mortgage lender must be an approved lender for the Federal Housing Administration, Veterans Administration, Farmers Home Administration, Government National Mortgage Association, Federal National Mortgage Association or Federal Home Loan Mortgage Corporation. Approval as an FHA loan correspondent does not meet this requirement.
- A residential mortgage loan servicer must be an approved servicer for the Federal Housing Administration, Veterans Administration, Farmers Home Administration, Government National Mortgage Association, Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation. Approval as an FHA loan correspondent does not meet this requirement.
- Tangible net worth of \$250,000 calculated in accordance with generally accepted accounting principles. Audited financial statements for the most recent fiscal year end must document compliance with this requirement.
- Surety bond in a minimum amount of \$50,000

- Criminal background check of the company, its owners, officers, directors, manager/members, partners, etc.
- Information as to the character, fitness, financial and business responsibility, background, experience and criminal convictions of the company, its owners, officers, directors, manager/members, partners, etc.

WHO TO CONTACT – Please refer to the Department of Business Oversight (formerly Department of Corporations) website at www.dbo.ca.gov or contact Department of Business Oversight by phone at 866-275-2677 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.