Who is required to have this license?

The principal place of business for any entity engaging in, or holding out to the public as willing to engage in, for compensation or gain, or in the expectation of compensation or gain, directly or indirectly, the business of making, originating, servicing, soliciting, placing, negotiating, acquiring, selling, or arranging for others, or offering to solicit, place, negotiate, acquire, sell or arrange for others, mortgage loans involving Kansas residential property under the Kansas Mortgage Business Act.

Sole proprietorships (individuals), corporations, partnerships, or any other form of entity, however organized, who intend to conduct mortgage business in Kansas as described above must obtain a license.

Any entity desiring to conduct mortgage business with Kansas consumers under the Kansas Mortgage Business Act must file a company new application through NMLS for their principal place of business. All additional locations where mortgage business is conducted with Kansas consumers whether located in Kansas or not must be separately authorized and will require a branch new application through NMLS to obtain a branch license.

Each individual originating mortgages must be separately authorized and will require an individual new application through NMLS. After the individual new application is submitted, the company must submit a sponsorship request to the Kansas Office of the State Bank Commissioner before the individual license will be approved.

Who does not need this license?

• Any bank, savings bank, trust company, savings and loan association, building and loan association, industrial loan company or credit union organized, chartered or authorized under the laws of the United States or of any state which is authorized to make loans and to receive deposits.

• Any person who is licensed as a Supervised Loan Licensee under the Kansas Uniform Consumer Credit Code.

• The United States of America, the state of Kansas, any other state, or any agency or instrumentality of any governmental entity.

• Any individual who with their own funds for their own investment makes a purchase money mortgage or finances the sale of their own property, except that any individual who enters into more than five such investments or sales in any twelve-month period must obtain a Mortgage Company License.

Pre-requisites for license applications?

• A licensee or applicant is not required to have a physical office located in Kansas. However, requirements differ depending on whether or not they maintain a Kansas bona fide office.
Kansas bona fide office means the licensee or applicant will maintain a licensed location that meets all of the following requirements:

1. The office is located in Kansas;
2. The office is not located in a personal residence;
3. The office has regular hours of operation;
4. The office is accessible to the public;
5. The office is leased or owned by the licensee and serves as an office for the transaction of the licensee’s mortgage business;
6. The office is separate from any office of another registrant; and
7. All of the licensee’s books, records and documents are accessible through that office.

Licensees or applicants maintaining a Kansas bona fide office will provide a Surety Bond in the amount of $50,000 and a complete executed copy of lease agreement in company name for Kansas bona fide office location. If the licensee or applicant originated or made more than $50,000,000 in Kansas mortgage loans during the previous calendar year, a $75,000 surety bond is required.

Licensees or applicants not claiming a Kansas bona fide office will provide a Surety Bond in the amount of $100,000 and submit a CPA reviewed or audited financial statement attesting to a net worth of at least $50,000. If the licensee or applicant originated or made more than $50,000,000 in Kansas mortgage loans during the previous calendar year, a $125,000 surety bond is required.

- Criminal background check and credit check are required for each owner, officer and partner of the licensee or applicant.

A social security number is requested pursuant to K.S.A. 74-148, K.S.A. 9-2201, et seq., K.S.A. 16a-1-101 et seq., and/or K.S.A. 50-1116, et seq. The social security number may be used for the following purposes: as a means of identification, to complete an investigation into your criminal history and financial background, to verify information in your application, to verify licensure in another state, identification purposes in national databases (including the Nationwide Mortgage Licensing System (NMLS)), testing and examination identification, to collect monies through the State of Kansas Setoff Program or through a contracted collection agency or law firm. The social security number may be shared with any agency of the United States, any state agency, any governmental agency, or any associations representing governmental agencies which are necessary or beneficial to the administration of the Kansas Mortgage Business Act, K.S.A. 9-2201, et seq., the Uniform Consumer Credit Code, K.S.A. 16a-1-101, et seq., or the Credit Services Organization Act, K.S.A. 50-1116, et seq.

WHO TO CONTACT – Contact the Kansas Office of the State Bank Commissioner, Division of Consumer and Mortgage Lending licensing staff by phone at 785-296-2266 or send questions via email to: licensing@osbokansas.org

YOU ARE NOT AUTHORIZED TO ENGAGE IN MORTGAGE ACTIVITIES IN THE STATE OF KANSAS UNTIL YOU HAVE RECEIVED APPROVAL FROM THE KANSAS OFFICE OF THE STATE BANK COMMISSIONER. 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.