



Description



MICHIGAN MORTGAGE LOAN ORIGINATOR LICENSE

Who is required to have this license?

This license is required of any individual, who for compensation or gain or in the expectation of compensation or gain takes a residential mortgage loan application, offers or negotiates terms of a residential mortgage loan, and who is not an employee of a depository financial institution or a subsidiary of a depository financial institution.

Who does not need this license?

- An individual registered as a mortgage loan originator that is an employee for a depository institution, a subsidiary of a depository institution that is owned and controlled by that depository institution and is regulated by a federal banking agency, or an institution regulated by the farm credit administration.
- An individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of that individual.
- An individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that served as his or her 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 other mortgage loan originator or by any agent of a lender, mortgage broker, or other mortgage loan originator.

Pre-requisites for license applications

- **Surety Bond:** Applicants must provide a surety bond. There are two surety bond options:
 - 1) Individual MLO Surety Bond – form [FIS-2135](#)
 - 2) Company MLO Surety Bond – form [FIS-2137](#)

Each bond form is located on agency website www.michigan.gov/difs and includes specific instructions for completion, including coverage amounts.

- **Criminal background check:**
 - i. Fingerprints will be submitted through NMLS for FBI criminal background check.
 - ii. Criminal background check results will be available to the State.
 - iii. The criminal background check fee is \$36.25.
- **Credit check:**
 - i. A credit report will be obtained through NMLS.
 - ii. The credit report fee is \$15.

- **Testing:** Prior to submitting an application through NMLS, the applicant must satisfy one of the following three conditions:
 - i. Passing score on both the National and Michigan State components of the SAFE Test, or
 - ii. Passing score on both the National and Stand-alone UST components of the SAFE Test, or
 - iii. Passing score on the National Test Component with Uniform State Content – NMLS must indicate you are compliant with this requirement.
- **Education:** Prior to submitting an application through NMLS, the applicant shall complete 20 hours of pre-licensure education through an NMLS approved education provider in a course that includes all of the following:
 - i. Three hours of federal law and regulations.
 - ii. Three hours of ethics, including instruction on fraud, consumer protection, and fair lending issues.
 - iii. Two hours of training related to lending standards for the nontraditional mortgage product marketplace.
 - iv. Twelve hours of undefined instruction on mortgage origination.

WHO TO CONTACT – Contact *Consumer Finance Section* via phone at 877-999-6442 or send your questions via e-mail to difs-fin-info@michigan.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.