Description

MONTANA MORTGAGE LENDER LICENSE

Who is required to have this license?

Any entity (a business organization, including a sole proprietorship) that closes a residential mortgage loan, advances funds, offers to advance funds, or commits to advancing funds for a mortgage loan applicant.

An entity engaging in loan modification activity that falls within the above definition must be licensed as a mortgage lender.

A license is required for any entity that engages in the residential loan business with a borrower regarding residential real estate located in Montana from any location. A residential mortgage loan is a loan primarily for personal, family, or household use secured by a security interest in a residential structure that contains 1 to 4 units, whether or not attached to real property, or residential real estate located in Montana. A residential structure includes a condo unit, a cooperative unit, and a mobile home or trailer, if used as a residence. Real property located in Montana upon which a dwelling is intended to be built within two years is included within this definition.

Who does not need this license?

- An entity that is an agency of federal, state, tribal, or local government.
- A depository institution.
- A subsidiary of a depository institution that is wholly-owned and controlled by a depository institution and regulated by a federal banking agency.
- An entity that is a bona fide not-for-profit entity.
- A person regulated by the commissioner of insurance if that person's principal business is that of preparing abstracts or making searches of titles that are used as a basis for the issuance of any title insurance policy by a company doing business under the laws of this state relating to insurance companies.
- An entity that is not regularly engaged in the business of mortgage lending. See Mont. Code Ann. § 32-9-103(39).

Pre-requisites for license applications?

- Net worth - none
- Surety bond
  - $25,000 for a combined annual loan production that does not exceed $50 million per year
  - $50,000 for annual loan production of $50 million but not exceeding $100 million per year
  - $100,000 for annual loan production of more than $100 million per year
- Sponsorship: in order to have an "Approved" license, the applicant must sponsor at least one approved Montana licensed mortgage loan originator. If an applicant has met all the requirements for licensure except that it does not have employ at least one approved Montana licensed loan originator, the license will be placed in an "Approved-Inactive" status until
sponsorship occurs. Please note: An entity is NOT authorized to conduct business in an "Approved-Inactive" status.

- Criminal and civil background check: principals, designated managers and loan originators
- Credit check: principals, designated managers and loan originators
- Experience: designated managers must have three years of experience
- Testing: designated manager, and loan originators
- Education: designated managers and loan originators
- Nonrefundable fee: $850 (including the NMLS processing fee).

**WHO TO CONTACT** – Contact the Montana Division of Banking and Financial Institutions licensing staff by phone at (406) 841-2920 or send your questions via e-mail to mortgage@mt.gov for additional assistance.

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**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.**