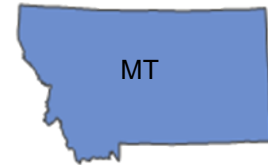




Description



MONTANA MORTGAGE SERVICER LICENSE

Who is required to have this license?

Any entity (a business organization, including a sole proprietorship) that engages, for compensation or gain, in the business of receiving any scheduled periodic payment from a borrower pursuant to the terms of a residential mortgage loan, residential mortgage servicing documents, or residential mortgage servicing contract; or meets the definition of a servicer in 12 U.S.C. 2605(i)(2) with respect to residential mortgage loans.

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 servicing residential mortgage loans. See Mont. Code Ann. § [32-9-103\(39\)](#).

Pre-requisites for license applications?

- Surety bond
 - \$75,000 for an unpaid principal balance that does not exceed \$25 million per year
 - \$150,000 for an unpaid principal balance of \$25 million but not exceeding \$100 million per year
 - \$250,000 for an unpaid principal balance of \$100 million but not exceeding \$500 million per year
 - \$350 for an unpaid principal balance of more than \$500 million per year
- Criminal and civil background check for principals. A principal is:
 - a director, general partner, or executive officer;

- an ultimate equity owner of 25% or more of the applicant if the equity owner is an individual; and
 - an individual that controls, directly or indirectly, the election of 25% or more of the members of the board of directors of the entity.
- Credit check for principals.
 - Nonrefundable fee: \$850 application fee (includes NMLS fee).
 - A trust account for borrower funds.

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 mortgagelicensing@mt.gov for additional assistance.

THE APPLICANT/LICENSEE IS FULLY RESPONSIBLE FOR ALL OF THE REQUIREMENTS OF THE LICENSE FOR WHICH THEY ARE APPLYING. THE AGENCY REQUIREMENTS CONTAINED HEREIN ARE FOR GUIDANCE ONLY TO FACILITATE APPLICATION THROUGH THE NMLS. SHOULD YOU HAVE QUESTIONS, PLEASE CONSULT LEGAL COUNSEL.