



## NC Branch License New Application Checklist (Branch)

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### CHECKLIST SECTIONS

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### GENERAL INFORMATION

#### Who is required to have this license?

This license should only be applied for by a company that also holds or is applying for a Mortgage Broker License or Mortgage Lender License and has branch location(s) where North Carolina residential mortgage loan originations will occur. A branch is defined in the North Carolina General Statute § [53-244.030\(4\)](#) as: "Branch office" means an office of a mortgage broker or mortgage lender that is separate and distinct from the mortgage broker's or lender's principal office and from which its employees engage in the mortgage business. A branch office shall not be located at an individual's home or residence.

Any person (individual, partnership, limited liability company, limited partnership, corporation, association, or other group engaged in joint business activities, however organized) unless exempt, who engages in the business of making mortgage loans for compensation or gain, or to act, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly, by accepting or offering to accept or soliciting or offering to solicit, applications for residential mortgage loans, negotiating terms or conditions, issuing mortgage loan commitments or interest rate guarantee agreements, or engaging in table funding, whether such acts are done through contact by telephone, electronic means, mail, or in person with borrowers or potential borrowers at a location other than the principal office.

The North Carolina Secure and Fair Enforcement Mortgage Licensing Act ("NC SAFE Act") defines "make a residential mortgage loan" as follows: to advance funds, to offer to advance funds, to make a commitment to advance funds to a borrower under a mortgage loan, or to fund a residential mortgage loan. "Residential mortgage loan or mortgage loan" means any loan made or represented to be made to a natural person or persons primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling located within this State or residential real estate upon which is constructed or intended to be constructed a dwelling.

#### Who is not required to have this license?

- Branch licenses are not applicable for Mortgage Servicers or Mortgage Origination Support Registrants.
- Any agency of the federal government or any state or municipal government granting mortgage loans under specific authority of the laws of any state or the United States.

- Any employee of a licensee whose responsibilities are limited to clerical and administrative tasks for his or her employer and who does not solicit borrowers, accept applications, or negotiate the terms of loans on behalf of the employer.
- Any person authorized to engage in business as a bank, a credit union, savings institution or a farm credit system, under the laws of the United States, this State, or any other state, upon filing and confirmation of a claim of exemption ([form #MLA04](#)) with the Office of the Commissioner of Banks.
- A subsidiary owned and controlled by a bank or savings institution and regulated by a federal banking agency, upon filing and confirmation of a claim of exemption ([form #MLA04](#)).
- Any officer or employee of bank, credit union, savings institution, a farm credit system, or subsidiary of bank, or a savings institution.
- Any licensed real estate agent or broker who is performing those activities subject to the regulation of the North Carolina Real Estate Commission. Notwithstanding the above, an exempt person does not include a real estate agent or broker who receives compensation of any kind in connection with the referral, placement, or origination of a mortgage loan.
- Any person who, as seller, receives in one calendar year no more than five mortgages, deeds of trust, or other security instruments on real estate as security for a purchase money obligation.

### Activities Authorized Under This License

This license authorizes the following activities:

- The branch select from the same business activities authorized under the company's principal office license.

### Pre-Requisites for License Applications

- **Licensure:** Each mortgage broker or lender applying for branch licensure must also hold or is also applying for a Mortgage Broker License or Mortgage Lender License under the NC SAFE Act. A branch location cannot be licensed under two different companies.
- **Branch Location:** An office of the licensee that is separate and distinct from its principal office/headquarters. A branch office shall not be located at an individual's home or residence. A copy of the company's lease and documentation of commercial/office zoning will be requested.
- **Branch Manager:** Each branch office of a mortgage broker or lender must have a branch manager who is also licensed as a mortgage loan originator in North Carolina, and has at least three years of experience in residential mortgage lending. They must meet the educational, test, financial responsibility, and background check requirements of an MLO, be in charge of, and responsible for, the business operations of the branch location. A branch manager may only manage one branch location.

### Additional Information

Applications not completed within 30 days of an initial deficiency notification will be deemed withdrawn by applicant and placed in a Withdrawn-Application Abandoned Status.

If a third party is assisting you with your application, an authorization form ([form #NCCOB-01](#)) must be completed and uploaded to your [login](#) on our website to allow us to communicate with the third party. Login credentials can be requested on the site within one business day of application submission.

The Broker's Mortgage Loan Originators (MLOs), or MLO applicants in a temporary authority to operate status, must be W2 employees of the mortgage broker and must have sponsorship requested by the company and accepted by our agency prior to originating a residential mortgage loan ([see MLO checklist](#)). The branch location applying for licensure must have an approved license in North Carolina before an MLO's sponsorship can be

accepted if they are only assigned to that branch location in the State Relationships NMLS screen. Branch Managers may only manage one location and must be a licensed MLO (not with temporary authority). The NC SAFE Act refers to MLOs as employees which is defined in the Act as an individual who has an employment relationship and who is treated as a common law employee for purposes of compliance with federal income tax laws and whose income is reported on IRS Form W-2 (see N.C. General Statutes § [53-244.030\(10\)](#), § [53-244.040\(a\)](#), § [53-244.100](#)) and North Carolina Administrative Code [04 NCAC 03M .0403\(c\)](#). Additionally, mortgage loan originators shall not be employed simultaneously by more than one mortgage lender, mortgage broker, or mortgage origination support registrant registered under Article 19B of Chapter 53 of the North Carolina General Statutes (see NC General Statute § [53-244.100\(b\)](#)).

### What to Expect After Becoming Licensed

North Carolina issues paper licenses for this license type; they can be printed by the licensee the business day following license approval at: <https://www.nccob.gov/online/Login.aspx>. The requirements for the display of licenses is in NC General Statute § [53-244.106](#).

Licenses expire annually on December 31st. Renewal of licenses can be requested through the NMLS November 1st through December 31st (late renewal January 1st through the end of February). A company's license renewal must be approved and the branch manager must have requested their NC MLO license renewal before we process branch renewal requests.

Visit our website for [more information](#) on mortgage FAQs, form and fees information, our bulletin board, and other information to include **regular examinations**, including information on:

- Exam notifications, scheduling, location, types, frequency, examination tips, and survey
- Common exam recommendations and violations
- Record retention and file stacking order
- Record destruction

### Document Uploads

Documents that must be uploaded to the *Document Uploads* section of the Branch Form (MU3) in NMLS are indicated in the checklist below. When uploading documents:

- Follow the guidance in [Document Upload Descriptions and Examples](#).
- Only upload documents relevant to the company application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded that should not be, you will be contacted by your regulator and asked to remove them from NMLS.
- Do not upload the same company documents multiple times. Generally, unless the document is state-specific, if the document has already been uploaded for another state, a new upload is not required unless changes have been made.
- If a document previously uploaded has been revised, delete the old document and replace it with the new document (history of the old document will remain in NMLS).
- For state-specific documents (e.g., Surety Bonds), be sure to indicate the applicable state.

### Helpful Resources

- [Branch Form \(MU3\) Filing Quick Guide](#)
- [Document Upload Descriptions and Examples](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

### Agency Contact Information

Contact the North Carolina Office of the Commissioner of Banks non-depository mortgage licensing staff by phone at (919) 733-3016 or send your questions via email to [Branch@nccob.gov](mailto:Branch@nccob.gov) for additional assistance. The checklist below instructs submission of documents to be uploaded to the NMLS or the NCCOB website. If needed for other reasons, our mailing address is below.

*For U.S. Postal Service:*

*North Carolina Office of the Commissioner of Banks  
Non-Depository Mortgage Licensing Team  
4309 Mail Service Center  
Raleigh, NC 27699-4309*

*For Overnight Delivery:*

*North Carolina Office of the Commissioner of Banks  
Non-Depository Mortgage Licensing Team  
316 West Edenton Street  
Raleigh, NC 27603*

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

**LICENSE FEES** - Fees collected through NMLS are not REFUNDABLE or TRANSFERABLE.

Complete	NC Branch License	Submitted via...
<input type="checkbox"/>	<b>NC License/Registration Fee:</b> \$300.00 <b>NMLS Initial Processing Fee:</b> \$20	<b>NMLS (Filing submission)</b>
<input type="checkbox"/>	<b>Credit Report for Branch Manager:</b> \$15	<b>NMLS (Filing submission)</b>
<input type="checkbox"/>	<b>FBI Criminal Background Check for MU2 Individual:</b> \$36.25 per person.	<b>NMLS (Filing submission)</b>

**REQUIREMENTS COMPLETED IN NMLS**

Complete	NC Branch License	Submitted via...
<input type="checkbox"/>	<b>Submission of Branch Form (MU3):</b> Complete and submit the Branch Form (MU3) in NMLS. This form serves as the application for the license through NMLS.	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Other Trade Name:</b> If the branch indicates in the MU3 that it will be operating under a name that is different from the applicant's legal name, that name ("Trade Name", "Assumed Name" or "DBA") must be also listed under the <i>Other Trade Names</i> section of the Company Form (MU1) and receive approval (or have already been approved) under the MU1 license record. North Carolina does not limit the number of other trade names.</p> <p>If operating under an "Other Trade Name", upload an executed copy of a North Carolina Assumed Name Certification regarding ability to do business under that trade name from a North Carolina Register of Deeds office as required under N.C. General Statute <a href="#">Chapter 66, Article 14A</a>.</p> <p>This document should be named <i>North Carolina-Mortgage Broker or Lender License Trade Name – Assumed Name</i>.</p>	<p><b>NMLS MU3 and MU1</b></p> <p><b>Upload in NMLS:</b> under the Document Type <u>Trade Name/Assumed Name Registration Certificates</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Branch Manager:</b> A Branch Manager must be designated for each licensed location. This individual must have three years of residential mortgage lending experience. A Branch Manager is defined as an individual who is assigned to, who is in charge of, and who is responsible for the business operations of a branch office of a mortgage broker or mortgage lender. A Branch Manager must hold an active NC MLO license and <u>cannot</u> be under Temporary Authority to Operate.</p> <p>Refer to N.C. General Statute § § <a href="#">53-244.040(f)</a>, <a href="#">53-244.050(b)</a> and North Carolina Administrative Code <a href="#">04 NCAC 03M.0204</a>.</p>	<b>NMLS</b>

<input type="checkbox"/>	<p><b>Credit Report:</b> Branch Managers required to authorize a credit report through NMLS. Individuals will be required to complete an Identity Verification Process (IDV) along with an individual attestation before a license request for your company can be filed through NMLS. This authorization is made when the Individual Form (MU2) is submitted as part of the Branch Form (MU3). Branch Managers must meet the financial responsibility requirements defined in N.C. General Statute § <a href="#">53-244.060(4)</a>.</p>	NMLS
<input type="checkbox"/>	<p><b>MU2 Individual FBI Criminal Background Check Requirements:</b> Branch Managers are required to authorize a FBI criminal background check (CBC) through NMLS.</p> <p>After authorizing a FBI criminal background check through the submission of the Company Form (MU1) and Individual Form (MU2), you must schedule an appointment to be fingerprinted if new prints are required.</p> <p>See the <a href="#">Criminal Background Check section</a> of the NMLS Resource Center for more information. See N.C. General Statute requirements § <a href="#">53-244.060 (2) and (3)</a>.</p> <p><b>Note:</b> If you are able to 'Use Existing Prints' to process the FBI criminal background check, you DO NOT have to schedule an appointment. NMLS will automatically submit the fingerprints on file.</p>	NMLS

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	NC Branch License	Submitted via...
<input type="checkbox"/>	<p><b>Lease Agreement Documents:</b> Submit a copy of the lease agreement for the branch office location that, at a minimum:</p> <ul style="list-style-type: none"> <li>• clearly states the parties to the lease;</li> <li>• clearly states the terms of the lease;</li> <li>• describes the leased premises; and,</li> <li>• is signed by a company (principal office control person/official) and landlord.</li> </ul> <p>If the lease is a sublease, provide written approval from the master lessor that they are aware of and agree to the property being subleased (consent to sublease), along with a copy of the executed master lease.</p> <p>Note: A branch office will be separate and distinct from the principal office and from which its employees engage in the mortgage business. It will consist of at least one enclosed room or building of stationary construction in which negotiations of mortgage loan transactions may be conducted and carried on in privacy and in which all of the books, records, and files pertaining to mortgage loan transactions relating to borrowers in this State are maintained. A branch office shall not be located at an individual's home or residence. (see N.C. General Statute § <a href="#">53-244.030 (4)</a>).</p>	<p><b>Upload in NMLS:</b> under the Document Type <a href="#">Branch Written Agreement</a> in the <i>Document Uploads</i> section of the Branch Form (MU3).</p>

	<p>Note: The lease must be in the company's name, not in the name of the branch manager. A control person or official of the company must sign the lease, not the branch manager.</p> <p>Note: If the branch location is owned by the company; a copy of the deed reflecting the location is a company asset may be submitted in lieu of the lease.</p> <p>This document should be named <i>[Branch NMLS ID#] Leasing Agreement</i>.</p>	
<input type="checkbox"/>	<p><b>Zoning Information.</b> Submit commercial/office zoning information for the branch location (i.e. tax records, Google Streetview, Loopnet (<a href="http://www.loopnet.com/propertyrecords/?LinkCode=31842">http://www.loopnet.com/propertyrecords/?LinkCode=31842</a>, etc.).</p> <p>This document should be named <i>[License Type] Zoning Documentation</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>State Specific Documentation</u> in the <i>Document Uploads</i> section of the Branch Form (MU3).</p>
<b>INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS</b>		
<input type="checkbox"/>	<p><b>Credit Report Explanations:</b> Submit a line by line, detailed letter of explanation of all derogatory credit accounts along with proof of payoffs, payment arrangements and evidence of payments made, or evidence of any formal dispute filed (documents must be dated). Accounts to address include, but are not limited to: collections items, charge offs, accounts currently past due, accounts with serious delinquencies in the last 3 years, repossessions, loan modifications, etc.</p> <p><b>Note:</b> Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p> <p>Review the requirements of financial responsibility pursuant to N.C. General Statute § <a href="#">53-244.060(4)</a>.</p> <p>This document should be named <i>Credit Report Explanations – Sub Name – Document Creation Date</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Credit Report Explanations</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p> <p>Items regarding bankruptcy, foreclosure actions, outstanding judgments or liens, or delinquent child support payments should be addressed in the <i>Disclosure Explanations</i> section of your Individual Form (MU2).</p>
<input type="checkbox"/>	<p><b>Verification of Experience:</b> Provide a license specific resume with detailed job descriptions and/or duties performed evidencing experience in the industry the company is applying for a license. Detailed job descriptions and duties with all employers need to be incorporated into a resume to demonstrate experience related to the specific state license being applied for. State specific requirements include:</p> <ul style="list-style-type: none"> <li>Branch Managers must have 3 years of experience in residential mortgage lending.</li> </ul> <p>Refer to N.C. General Statute §§ <a href="#">53-244.040(f)</a>, <a href="#">53-244.050(b)</a> and North Carolina Administrative Code <a href="#">04 NCAC 03M.0204</a>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Verification of Experience</u> in the <i>Document Uploads</i> section of the Individual Form (MU2).</p>

	This document should be named <i>[Resume] – License Name</i> .	
<input type="checkbox"/>	<b>Disclosure Questions/Explanations:</b> Provide complete details of all events or proceedings for any “Yes” answer to the disclosure questions for a Branch Manager MU4 filing. Branch Managers are to ensure that disclosure questions, explanations, and documentation are current.	<b>Upload in NMLS:</b> under the <i>Disclosure Explanations</i> section of the Individual Form (MU2).

REQUIREMENTS SUBMITTED OUTSIDE OF NMLS		
Complete	NC Branch License	Submitted via...
<input type="checkbox"/>	<b>Criminal Background Check Documentation:</b> Submit documentation to show plea, disposition, and severity of incidents (if not reflected clearly on the background check in the NMLS) pursuant to N.C. General Statute <a href="#">53-244.060(2) and (3)</a> .	<p><b>Email by secure email</b> to North Carolina Office of the Commissioner of Banks: MLO@nccob.gov or the specific email address of the Licensing Support Specialist if responding to a license item.</p> <p>Or <b>upload in NMLS</b> in the Document Uploads section of the Individual Form (MU2) or disclosure question explanations as applicable.</p>
<input type="checkbox"/>	<p><b>Branch Attestation:</b> Submit an executed Prohibited Branch Arrangement Attestation Form (MLA19 – Branch Attestation) through our agency website login. <i>Please note that you cannot access this automated request form until one business day after application through the NMLS.</i> This online form is to be completed by a control person of the company as acknowledgement for current branch applications or any future branches.</p> <p><i>NOTE: Only one attestation is to be completed by the company, not one for each branch. If the company has already completed the attestation on our system, this step is considered already complete.</i></p>	<p><b>Complete a Branch Attestation on NCCOB’s Website:</b> Login credentials can be requested on the site within one business day of application submission: <a href="https://www.nccob.gov/online/Login.aspx">https://www.nccob.gov/online/Login.aspx</a>. Click on Branch Attestation and complete the online form as prompted – to be completed by a control person of the company as acknowledgement for current or future</p>



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The regulator will review the filing and all required documents and communicate with you through the NMLS. To review your status or see detailed communication from the regulator, click on the Composite View tab and then click on View License/Registration in NMLS; see [License Status Quick Guide](#) for instruction.

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