



## Description



# NEW JERSEY CORRESPONDENT RESIDENTIAL MORTGAGE LENDER LICENSE

### Who is required to have this license?

Any business entity, including a sole proprietorship, who for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly takes a residential mortgage loan application, or offers, negotiates, originates, or acquires residential mortgage loans in the primary market. Residential mortgage loans include both first and second mortgage loans on New Jersey property. This license differs from residential mortgage lender in that the holder may not, in the regular course of business, hold mortgage loans in portfolio or service mortgage loans, for more than 90 days.

### Who does not need this license?

- Depository institutions
- A licensed attorney who negotiates terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney's representation of a client, unless the attorney is compensated by a residential mortgage lender or residential mortgage broker
- A person licensed as a NJ real estate broker or salesperson and not engaged in the business of a residential mortgage lender or residential mortgage broker
- Any employer, who is not a residential mortgage lender, who provides residential mortgage loans to his employees as a benefit of employment and which are not in excess of the usury rate in New Jersey at the time the loan is made and on which the borrower has not agreed to pay, directly or indirectly, any charge, cost, expense or any fee whatsoever, other than interest
- Any individual who offers or negotiates terms of a residential mortgage loan: (1) with or behalf of an immediate family member; or (2) secured by a dwelling that served as the individual's residence

### Pre-requisites for license applications?

- Tangible net worth of at least \$150,000
- Surety bond in the minimum amount of \$150,000
- Criminal background check for owners, principals, officers, directors, partners, members and managers of LLCs, and shareholders owning 10 percent or more of business applicant
- Identification of at least one officer, director, partner, member, owner or principal who must obtain a Qualified Individual Correspondent Residential Mortgage Lender License. Individual qualifications include criminal background check, national and state testing, pre-licensure education, and credit report.
- Documentation concerning corporate, partnership, limited liability company, or sole proprietorship organization; foreign businesses require Certificate of Authority to do Business in New Jersey from NJ Division of Revenue
- Certification of office location suitability

**WHO TO CONTACT** – Contact New Jersey Department of Banking & Insurance, Licensing Services Bureau, Banking licensing staff by phone at (609) 292-7272 (menu select 3, select 2, select 1) or send your questions via e-mail to [blconline@dobi.nj.gov](mailto:blconline@dobi.nj.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 ON LEGAL REQUIREMENTS/INTERPRETATIONS, PLEASE CONSULT LEGAL COUNSEL AS DEPARTMENT STAFF CANNOT PROVIDE LEGAL ADVICE.