



Description



NEW YORK EXEMPT MORTGAGE BANKER LICENSE-NP

Who may request this license?

Article 12-D of the New York Banking Law (the “Banking Law”) prohibits an individual, partnership, association, corporation or other entity from engaging in the business of making mortgage loans without first obtaining a license from the Superintendent of the Department of Financial Services of New York as a mortgage banker.

Making a mortgage loans means for compensation or gain either directly or indirectly, advancing funds, offering to advance funds, or making a commitment to advance funds to an applicant for a mortgage loan or a mortgagor as a mortgage loan.

In addition to the exemptions enumerated in section 590.1(e) of the Banking Law, Part 39 of the General Regulations of the Superintendent provides that Not-for-Profit organizations may be eligible for exemption from the registration and licensing requirements of Article 12-D of the Banking Law.

To be considered for exemption a not-for-profit organization must submit an application through the NMLS for exemption under this license.

Pre-Requisites for License Applications

- The organization must conduct its activities in a manner that serves public or charitable purposes rather than commercial purposes, and must promote affordable housing, homeownership or similar loan programs, products and services.
- Must be tax exempt under Internal Revenue Code Section 501(c)(3).
- The not-for-profit organization must employ a Qualifying Individual (the “Qualifier”) who has at least five years of experience in making residential mortgage loans or similar lending or credit evaluation experience.

NOTE: Please refer to the exempt banker checklist for not-for-profit organizations for the complete list of requirements necessary to obtain an exemption.

WHO TO CONTACT – For questions concerning an the exemption application for not-for-profit organizations, please contact the Department via email at Mortgage.Banker@dfs.ny.gov

NOT-FOR-PROFIT ORGANIZATIONS SEEKING EXEMPTION FROM THE DEPARTMENT ARE PROHIBITED FROM ENGAGING IN RESIDENTIAL MORTGAGE ORIGINATION ACTIVITIES UNTIL THE EXEMPTION IS APPROVED BY THE SUPERINTENDENT OF FINANCIAL SERVICES OF THE STATE OF NEW YORK.