



Description



NEW YORK EXEMPT MORTGAGE BROKER REGISTRATION-NP

Who is required to have this license?

Article 12-D, Section 590.2(b) of the New York Banking Law (the “Banking Law”) prohibits an individual, partnership, association, corporation or other entity from soliciting, processing, placing or negotiating a mortgage loan or offering to solicit, process or negotiate a mortgage loan in New York State without first being registered with the Superintendent of the Department of Financial Services of New York as a mortgage broker.

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 (herein after “nonprofit organization” or “organization”) may be eligible for exemption from the registration and licensing requirements of Article 12-D of the Banking Law.

Nonprofit organizations that facilitate mortgage loan origination through a Single Purpose Limited Liability subsidiary (SPLLS) should apply for an Exempt Mortgage Broker Registration – NP for the parent organization. An Exempt Mortgage Banker License-NP will be required for the SPLLS.

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.