



# NY Reverse Mortgage Lending (Dual) Authority - New Application Checklist (Company)

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## CHECKLIST SECTIONS

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## GENERAL INFORMATION

### Who Is Required to Have This License?

New York State licensed mortgage bankers that engage in the business of making reverse mortgage loans on 1-4 family residential property located in the State of New York. This authority is required for entities seeking to originate both:

**Proprietary Reverse Mortgage Loans under Section 280 and 280-a of the New York Real Property Law, and**

**Federal Housing Administration (“FHA”) – Home Equity Conversion Mortgage (HECM)  
[must provide documentation supporting FHA’s approval to originate HECMs]**

Making a reverse 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 reverse mortgage loan or a mortgagor as a reverse mortgage loan.

Pursuant to 3 NYCRR 79.3(a) “No person or entity may engage in the business of making a reverse mortgage loan unless they are licensed to make mortgage loans pursuant to section 591 of the Banking Law or are an exempt organization.” Also, pursuant to 3 NYCRR 79.3(b) “no person or entity may engage in the business of making a reverse mortgage loan unless they have applied and are granted such right by the superintendent.”

### Activities Authorized Under This License

This license authorizes the following activities:

- Reverse Mortgage Lending

### Pre-Requisites for License Applications

- Must hold a valid NY Mortgage Banker License
- Must be an approved FHA Non-Supervised Lender with Title II HECM Lending Authority
- Must meet financial responsibility requirements of Part 410.1(b)
- Adjusted Net Worth – \$5, 000,000 plus ½ of 1 percent of the total volume originated in excess of \$15,000,000 up to a maximum required adjusted net worth of \$25,000,000.

The New York State Department of Financial Services (the “Department”) does not issue paper licenses for this authority

## Application Processing Overview

### Incomplete Application

If an application is determined to be incomplete, the applicant will receive a written notice identifying the items and matters that must be addressed for the Department to continue the application review process.

If a complete response fully addressing all such items and matters to the satisfaction of the Department is not received within 30 days of the date of such notice, the application will be withdrawn. **Note:** Partial submission of information or documents in response to the Department’s notice deeming the application incomplete will not result in an extension of the 30 days withdrawal period. Any applicant seeking reverse mortgage lending authority for proprietary and HECM loans following the withdrawal of an application must submit a new application that includes all required information, documents, and fees. If the required jurisdiction (state) specific documents are not received by the Department within 10 days of the electronic filing through the NMLS the application will be withdrawn.

### Approval or Denial

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.

Upon approval of the application, the Department will issue an approval letter to the applicant. If the application is denied, the applicant will receive notification of denial.

## Document Uploads Guidance

Documents that must be uploaded to the *Document Uploads* section of the Company’s Form (MU1) 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’s application.
- Only upload documents where there is a selectable document category. If inappropriate documents are uploaded, 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

- [Company Form \(MU1\) Filing Instructions](#)
- [Document Upload Descriptions and Examples](#)
- [Individual Form \(MU2\) Filing Quick Guide](#)
- [Financial Statements Quick Guide](#)
- [Payment Options Quick Guide](#)
- [License Status Definitions Quick Guide](#)

### Agency Contact Information

Contact New York State Department of Financial Services mortgage banking staff for additional assistance by email at: Mortgage.Banker@dfs.ny.gov

*For U.S. Postal Service & Overnight Delivery:*

*New York State Department of Financial Services –  
Attention Mortgage Banking  
Application Processing Unit  
One State Street  
New York, NY 10004*

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	NY Reverse Mortgage Lending (Dual) Authority	Submitted via...
<input type="checkbox"/>	<p><b>NY License/Registration Fee:</b> \$0</p> <p><b>NY Application Fee:</b> \$0</p> <p><b>NMLS Initial Processing Fee:</b> \$100</p>	<p>N/A</p> <p>N/A</p> <p>N/A</p> <p><b>NMLS (filing submission)</b></p>

**REQUIREMENTS COMPLETED IN NMLS**

Complete	NY Reverse Mortgage Lending (Dual) Authority	Submitted via...
<input type="checkbox"/>	<p><b>Submission of Company Form (MU1):</b> Complete and submit the Company Form (MU1) in NMLS. This form serves as the application for the license/registration through NMLS.</p>	<b>NMLS</b>
<input type="checkbox"/>	<p><b>Corporate Financial Statements:</b> An Applicant must upload into NMLS the following corporate financial statement:</p> <p>(A) Audited financial statement for the past two fiscal years prepared by a Certified Public Accountant in accordance with Generally Accepted Accounting Principles and</p> <p>(B) Unaudited financial statement for the most recent quarter signed and affirmed by an executive officer of the company.</p> <p>Financial statements should include a Balance Sheet, Income Statement and Statement of Cash Flows and all relevant notes thereto.</p> <p>Adjusted Net Worth – \$5, 000,000 plus ½ of 1 percent of the total volume originated in excess of \$15,000,000 up to a maximum required adjusted net worth of \$25,000,000.</p> <p><b>Note:</b> Financial statements are uploaded separately under the Filing tab and <i>Financial Statement</i> submenu link. See the <a href="#">Financial Statements Quick Guide</a> for instructions.</p>	<b>NMLS</b>

<input type="checkbox"/>	<p><b>Other Trade Name:</b></p> <p><b>The New York Department of Financial Services does not grant approval for the use of Other Trade Names under this NY Reverse Mortgage Lending (Dual) Authority.</b></p> <p>If you intend to use a name that is different from the applicant’s legal name in your reverse mortgage operations, that name (“Fictitious Name, Trade Name”, “Assumed Name” or “DBA”) must be listed under the <i>Other Trade Names</i> section for the company’s <b>NY Mortgage Banker License</b>. See NY Mortgage Banker License for further instructions,</p>	<p><b>N/A</b></p>
<input type="checkbox"/>	<p><b>Resident/Registered Agent:</b> The Resident/Registered Agent must be listed under the <i>Resident/Registered Agent</i> section of the Company Form (MU1)</p> <p>Note: The resident/registered agent is the entity that will receive service of legal process on behalf of you company in the state identified.</p>	<p><b>NMLS</b></p>
<input type="checkbox"/>	<p><b>Primary Contact Employees:</b> The following individuals must be entered into the <i>Contact Employees</i> section of the Company Form (MU1).</p> <ol style="list-style-type: none"> <li>1. <b>Primary Company Contact.</b> The individual named must have executive management level responsibility for the company’s reverse mortgage origination activities</li> <li>2. <b>Primary Consumer Complaint Contact.</b></li> </ol>	<p><b>NMLS</b></p>
<p>Note</p>	<p><b>Non-Primary Contact Employees:</b> NY-DFS does not <b>require</b> any non-primary contacts to be listed for this reverse mortgage lending authority.</p> <p>Such non-primary contacts must be listed in the <i>Contact Employees</i> section of the NY Mortgage Banker License Company Form (MU1)</p>	<p><b>N/A</b></p>
<p>Note</p>	<p><b>Bank Account:</b> Bank account information is not required. The <i>Bank Account</i> section of the Company Form (MU1) can be left blank.</p>	<p><b>N/A</b></p>
<input type="checkbox"/>	<p><b>Disclosure Questions:</b> Provide a complete and detailed explanation and document upload for each “Yes” response to Disclosure Questions made by the company or related control persons (MU2).</p> <p>Control Persons includes - the three most senior executive officers, each controlling member of a partnership, each director, each managing member of a limited liability company, trustee, principal beneficiary of a trust, all direct and indirect principal stockholders of a corporate applicant, and members of the board of directors.</p> <p><b>Note:</b> Control persons listed in NMLS for the NY Reverse Mortgage Lending (Dual) Authority must be the same individuals listed under the NY Mortgage Banker License.</p> <p>See the <a href="#">Company Disclosure Explanations Quick Guide</a> for instructions.</p>	<p><b>Upload in NMLS</b> in the <i>Disclosure Explanations</i> section of the Company Form (MU1) or Individual Form (MU2).</p>

Note	<p><b>Qualifying Individual:</b> The <i>Qualifying Individual</i> section is not required to be completed for the NY Reverse Mortgage Lending (Dual) Authority on the Company Form (MU1).</p>	N/A
<input type="checkbox"/>	<p><b>Control Person (MU2) Attestation:</b> Complete the Individual Form (MU2) in NMLS. This form must be attested to by the applicable control person before it is able to be submitted along with the Company Form (MU1).</p> <p><b>Note:</b> Control persons listed in NMLS for the NY Reverse Mortgage Lending (Dual) Authority must be the same individuals listed under the NY Mortgage Banker License.</p>	NMLS
Note	<p><b>Credit Report:</b> NY-DFS does not require individuals in a position of control to authorize a credit report through NMLS for the NY Reverse Mortgage Lending (Dual) Authority.</p>	N/A
Note	<p><b>MU2 Individual FBI Criminal Background Check Not Required Through NMLS:</b> Direct Owners/Executive Officers, Indirect Owners, and Qualifying Individuals are NOT required to authorize a FBI criminal background check (CBC) through NMLS for the NY Reverse Mortgage (HECM) Lending Authority.</p> <p><b>Note:</b> Control persons listed in NMLS for the NY Reverse Mortgage Lending (Dual) Authority must be the same individuals listed under the NY Mortgage Banker License.</p>	N/A

REQUIREMENTS/DOCUMENTS UPLOADED IN NMLS		
Complete	NY Reverse Mortgage Lending (Dual) Authority	Submitted via...
<input type="checkbox"/>	<p><b>AML/BSA Policy:</b> Upload the most recent version of Anti-Money Laundering (AML) / Bank Secrecy Act (BSA) Policy and the most recent Independent Review of the AML/BSA Program.</p> <p><u>AML/BSA Policy</u></p> <p>This document should be named <i>AML/BSA Policy [approval date mm-dd-yyyy]</i>.</p> <p><u>Independent Review of AML/BSA Program</u></p> <p>This document should be named <i>AML/BSA Policy Independent Review [review date mm-dd-yyyy]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>AML/BSA Policy</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Company Staffing and Internal Policies:</b> Upload document(s) including information on staffing and internal organizational policies and procedures addressing the following:</p> <ul style="list-style-type: none"> <li>• <b>Reverse Mortgage Lending Policy</b></li> </ul> <p>This document should be named <i>[Name of Policy]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Company Staffing and Internal Policies</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Document Samples:</b> Upload copies of the following documents used in the regular course of business in connection with this authority:</p> <ul style="list-style-type: none"> <li>• <b>Reverse Mortgage Disclosures forms provided to prospective borrower</b></li> </ul> <p>This document should be named <i>[Name of Document Sample]</i>.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Document Samples</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
<input type="checkbox"/>	<p><b>Management Chart:</b> Submit a Management chart displaying the applicant’s directors, officers, and managers (individual name and title). Must also identify compliance reporting and internal audit structure.</p> <p><b>The management chart must reflect the oversight structure of the reverse mortgage lending operations</b></p> <p>This document should be named <i>[Company Legal Name] Management Chart</i>.</p> <p><b>Note:</b> If the existing uploaded management chart already includes the above information, an additional document does not need to be uploaded. A company should only upload a single management chart.</p>	<p><b>Upload in NMLS:</b> under the Document Type <u>Management Chart</u> in the <i>Document Uploads</i> section of the Company Form (MU1).</p>
INDIVIDUAL (MU2) DOCUMENTS UPLOADED IN NMLS		
No individual (MU2) documents are required to be uploaded into NMLS for this license/registration at this time.		

<b>NMLS ID Number</b>	
<b>Applicant Legal Name</b>	

<b>REQUIREMENTS SUBMITTED OUTSIDE OF NMLS</b>		
<b>Complete</b>	<b>NY Reverse Mortgage Lending (Dual) Authority</b>	<b>Submitted via...</b>
<input type="checkbox"/>	<p><b>Federal Housing Administration Approval Letter and Recertification:</b> Submit a copy of the following:</p> <ul style="list-style-type: none"> <li>Title II Non-Supervised Mortgagee Approval Letter</li> <li>Recertification for Calendar year 2020.</li> </ul> <p><b>Note:</b> Recertification must reflect authority to engage in HECM lending activities.</p>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>
<input type="checkbox"/>	<p><b>Standby Letter of Credit:</b> Submit a copy of an irrevocable standby letter of credit in favor of the lender in an amount necessary to fund all reverse mortgage loans requirements anticipated to be made over the next 12 months or \$3,000,000 whichever is greater. The standby letter of credit must meet the following guidelines:</p> <ul style="list-style-type: none"> <li>Issued by a financial institution that is not affiliated with the applicant;</li> <li>Initial term of at least two years;</li> </ul>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>
<input type="checkbox"/>	<p><b>Letter of Assurance:</b> Provide an original signature letter on the company's letterhead stating that the applicant is, as of the date of the letter, in compliance with FHA's Non-Supervised Mortgagee requirements for the following:</p> <ul style="list-style-type: none"> <li>Fidelity Bond and Errors and Omission Coverage</li> <li>Line of Credit</li> <li>Adjusted Net Worth and Liquid Assets</li> </ul> <p><b>Note:</b> the applicant must make such attestation based on loan activity volume where FHA guidelines requires activity volume as part of the calculation for minimum requirements and compliance.</p> <p>The letter must be signed by an Executive Officer vetted and approved by NY-DFS.</p>	<p><b>Mail to</b> New York State Department of Financial Services</p> <p><b>Original Document must be mailed to NY-DFS</b></p> <p>and Email to:  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>
<input type="checkbox"/>	<p><b>Lenders A.M. Best Report:</b> Submit a copy of the lender's report issued by A.M. Best Company</p>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>
<input type="checkbox"/>	<p><b>Trustee Agreements:</b> Submit a copy of any trust agreement entered into between the lender and a trustee pursuant to 3 NYCRR 79.5(g)(2).</p>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>



<input type="checkbox"/>	<p><b>FHA Adjusted Net Worth Computation:</b> Provide an FHA Adjusted Net Worth Computation for the most recent month-end prior to the submission of the NY Reverse Mortgage (HECM) Lending Authority application.</p> <p><b>Note:</b> If the computation reflects a deficiency, provide a copy of the Notice of Material Event submitted to FHA. If the notice has not been submitted, please provide an explanation and the date such notice will be submitted.</p>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p>
<input type="checkbox"/>	<p><b>Advertisement:</b> Provide samples of advertisement, as applicable, utilized to solicit reverse mortgage business:</p> <ul style="list-style-type: none"> <li>• YouTube video – send link to video</li> <li>• Websites – provide the URL</li> <li>• Printed Advertisement – send photocopies</li> <li>• Television – provide recorded copy and script</li> <li>• Radio – provide copy of recording</li> </ul>	<p><b>Email to:</b>  <a href="mailto:MBELECTRONIC@dfs.ny.gov">MBELECTRONIC@dfs.ny.gov</a></p> <p><b>OR Mail to:</b>  New York State  Department of Financial  Services</p>