Who is required to have this license?

Any person (natural person, partnership, limited liability company, limited partnership, corporation, association, or other group engaged in joint business activities, however organized), unless exempt, who acts as a mortgage broker, for compensation or gain, or in the expectation of compensation or gain, either directly or indirectly, by: (i) soliciting, processing, placing, or negotiating a mortgage loan for a borrower from a mortgage lender or depository institution or offering to process, place, or negotiate a mortgage loan for a borrower from a mortgage lender or depository institution, (ii) engaging in tablefunding of mortgage a loan, or (iii) acting as a loan correspondent, as that term is defined in 24 C.F.R. Part 202 et seq., whether those acts are done by telephone, by electronic means, by mail, or in person with the borrowers or potential borrowers. ‘Act as a mortgage broker’ also includes bringing a borrower and lender together to obtain a mortgage loan or rendering a settlement service as described in 12 U.S.C. 2602(3) and 24 C.F.R. Part 3500.2(b).

Who does not need this license?

(a) an employee of a licensee whose responsibilities are limited to clerical or support duties for the employer and who does not solicit borrowers, accept applications, or negotiate the terms of loans on behalf of the employer;
(b) a depository institution or a subsidiary that is wholly owned and controlled by the depository institution and regulated by a federal banking agency or an institution regulated by the Farm Credit Administration. This chapter does not apply to the exempt persons described in this subitem;
(c) an officer, registered loan originator or employee of an exempt person described in subitem (b) of this section when acting in the scope of employment for the exempt person;
(d) a person who offers or negotiates terms of a mortgage loan with or on behalf of an immediate family member of the individual;
(e) an individual who offers or negotiates terms of a mortgage loan secured by a dwelling that served as the person’s residence;
(f) an employee whose employment as a processor or underwriter is undertaken pursuant to the direction and supervision of a licensee or exempt person except when the processor or underwriter is working as an independent contractor;
(g) a manufactured home retailer and its employees if performing only clerical or support duties in connection with the sale or lease of a manufactured home and the manufactured home retailer and its employees receive no compensation or other gain from a mortgage lender or a mortgage broker for the performance of the clerical or support duties.

Pre-requisites for license applications?

Licensure: Each mortgage broker must be licensed to engage 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 an application for a mortgage loan, soliciting or offering to solicit a mortgage loan, negotiating the terms or conditions of a mortgage loan, issuing mortgage loan commitments or interest rate guarantee agreements to borrowers, or engaging in table funding of mortgage loans, whether such acts are done through contact by telephone, by electronic means, by mail, or in person with the borrowers or potential borrowers.
Branch Location: An office of the licensee acting as a mortgage broker that is separate and distinct from the licensee’s principal office/ headquarters.

Mortgage Brokers must have an SC principal location: Each mortgage broker licensee shall maintain and transact business from a principal place of business in South Carolina. A principal place of business in this state shall consist of at least one enclosed room or building of stationary construction in which negotiations of mortgage loan transactions of others 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. Such office can be an individual’s home or residence.

Branch Manager: Each branch office of a mortgage broker must have a licensed loan originator, with at least three years of experience in financial services or financial services related business, who is in charge of and responsible for the business operations of the branch location.

WHO TO CONTACT – Contact South Carolina Department of Consumer Affairs licensing staff by phone at 803-734-4200 or send your questions via e-mail to SCMortgageBroker@scconsumer.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, PLEASE CONSULT LEGAL COUNSEL.