Who is required to have this license?

Any corporation, company, partnership, or sole proprietorship that engages in the business of residential mortgage loan origination on real property located in Texas. Residential mortgage loans include first lien, second lien, or home equity loans.

Title 7 of the Texas Administrative Code, Chapter 80.302(16) defines “Residential Mortgage Loan” as a loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling or on residential real estate whether the property is intended for investment purposes or owner occupancy. It includes new loans and renewals, extensions, modifications, and rearrangements of such loans. The term does not include a loan which is secured by a structure that is suitable for occupancy as a one-to-four family residence, but is used for a commercial purpose such as a professional office, beauty salon, or other non-residential use, and is not used as a residence.

Who does not need this license?

- A depository institution; a subsidiary that is owned and controlled by a depository institution and regulated by a federal banking agency; or an institution regulated by the Farm Credit Administration that is registered with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.
- An individual who offers or negotiates terms of a residential mortgage loan with or on behalf of an immediate family member of the individual.
- An individual who offers or negotiates terms of a residential mortgage loan secured by a dwelling that serves as the individual’s primary residence.
- A licensed attorney who negotiates the terms of a residential mortgage loan on behalf of a client as an ancillary matter to the attorney’s representation of the client, unless the attorney takes a residential mortgage loan application and officers or negotiates the terms of a residential mortgage loan.
- A Credit Union Subsidiary Organization (CUSO) that is licensed with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.
- A Mortgage Banker that is registered with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System.
- A political subdivision involved in affordable home ownership programs that is licensed with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System.
- An organization that qualifies for an exemption from Texas franchise and sales tax as a 501(c)(3) organization that is licensed with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System.
- An Exclusive Agent of a Financial Services Company that is licensed with, and maintains a unique identifier through, the Nationwide Mortgage Licensing System and Registry.
Pre-requisites for license applications?

- Any company name or assumed name must be properly filed with either the Texas Secretary of State or with the appropriate Texas County Clerk’s office.
- The company must maintain a physical office in the State of Texas as either the primary place of business or through a branch location.

WHO TO CONTACT – Contact Division of Licensing staff by phone at 512-475-1350 or toll free at 877-276-5550 or send your questions via e-mail to licensing@sml.state.tx.us 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.