



Description



ALABAMA MORTGAGE LOAN ORIGINATOR LICENSE

Who is required to have this license?

Any individual who for compensation or gain or in the expectation of compensation or gain takes a residential mortgage loan application, or offers or negotiates terms of a residential mortgage loan. This will include any independent contract loan processors or underwriters.

Who does not need this license?

- Individuals that are registered mortgage loan originators as defined in the Alabama SAFE Act.
- Individuals that are engaged solely as a loan processor or underwriter, as those terms are defined in the Alabama SAFE Act and who are exclusively W-2 employees for one mortgage company.
- Licensed real estate agents who do not receive compensation for mortgage loan origination activities performed incidental to their real estate brokerage activity.
- 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 is compensated by a lender, a mortgage broker, or other mortgage loan originator or by any agent of such lender, mortgage broker, or other mortgage loan originator.
- Loss mitigation specialist will not be required to meet the education, testing, background, and licensing standards until July 1, 2011 unless otherwise determined by the US Department of Housing and Urban Development.
- Retail Sellers of manufactured or modular homes unless otherwise determined by the US Department of Housing and Urban Development.

Pre-requisites for license applications:

- Must be covered by a surety bond in favor of the State of Alabama through the company that you are working for or individually obtain a surety bond
- Cannot have been convicted of any felony in the last 7 years
- Can never have been convicted of a felony that involved an act of fraud, dishonesty, breach of trust or money laundering
- Credit checks will be obtained and reviewed by the Department
- 20 hours of pre-licensing education
- 8 hours of continuing education prior to renewal
- Must pass a test with a grade of 75% or higher which will be administered through the NMLS. The test will consist of a national component and a state component.

WHO TO CONTACT – Contact the State Banking Department mortgage licensing staff by phone at 334-242-3452 or send your questions via e-mail to diana.anderson@banking.alabama.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.