



## Description



### NEVADA MORTGAGE BROKER LICENSE

#### Who is required to have this license?

A mortgage broker license is required if a person, directly, or indirectly:

- Holds himself or herself out for hire to serve as an agent for any person in an attempt to obtain a loan which will be secured by a lien on real property;
- Holds himself or herself out for hire to serve as an agent for any person who has money to lend, if the loan is or will be secured by a lien on real property;
- Holds himself or herself out as being able to make loans secured by liens on real property;
- Holds himself or herself out as being able to buy or sell notes secured by liens on real property; or
- Offers for sale in this State any security which is exempt from registration under state or federal law and purports to make investments in promissory notes secured by liens on real property.

Any natural person, who conducts any of these activities or activities as a residential mortgage loan originator in Nevada on behalf of the mortgage broker, must also hold a mortgage agent license. This includes owners and designated qualified employees (QE).

Mortgage brokers may fund residential or commercial loans from their own account or broker loans to either institutional or private investors. If a mortgage broker anticipates utilizing private investors to fund loans and/or will maintain third party investor or servicing trust accounts, there are multiple prescribed disclosures and requirements. Disclosure forms are available on the Division's website; however, applicants are advised to contact the Division directly for additional information on these requirements.

Mortgage brokers must license each location at which they will conduct business. A mortgage broker must license an out-of state home/main/corporate office for purposes of compliance with NMLS. Licensees may hold both a mortgage broker and mortgage banker license in Nevada. Each licensed office is required to submit separate monthly activity reports to the Division, even if no loans were made. For additional information please visit the Division's [Website](#).

#### Who does not need this license?

An entity who claims an exemption from licensing must ensure that the entity or agency which regulates the conduct of their business provides to the Commissioner written notification that the license of the entity provides the right to make or broker mortgage loans and that their regulator will investigate complaints arising from or relating to consumers in Nevada. The licensing requirements do not apply to the following;

- Any entity doing business under the laws of this State or any other state in the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies, including, without limitation, a subsidiary or a holding company of such a bank, company, association or credit union.

- A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.
- An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.
- An attorney at law rendering services in the performance of his or her duties as an attorney at law.
- A real estate broker rendering services in the performance of his or her duties as a real estate broker.
- Any person doing any act under an order of any court.
- Any one natural person, or husband and wife, who provides money for investment in commercial loans secured by a lien on real property, on his or her own account, unless such a person makes a loan secured by a lien on real property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.
- Agencies of the United States and of this State and its political subdivisions, including the Public Employees' Retirement System.
- A seller of real property who offers credit secured by a mortgage of the property sold.

### **Pre-requisites for license applications**

Nevada requires documentation and items to be submitted directly to the Division in addition to completion of the MU-1 application on NMLS. The following is a synopsis of these requirements:

- Bond amount: Nevada requires a \$50,000 bond if a mortgage broker arranges \$20,000,000 or less in loans per year. If a mortgage broker arranges more than \$20,000,000 in loans in a year, a \$75,000 bond is required. The bond must name the mortgage broker and all employed or associated mortgage agents as principals.
- Criminal background check: Nevada requires submission of a fingerprint card for each natural person who holds either a 10% or greater ownership in the company or directs and controls the company. Persons not meeting criminal standards prescribed in NRS 645B.020 will not be approved.
- Credit check: Each natural person who holds either a 25% or greater ownership in the company or directs and controls the company must authorize a credit report through NMLS. Persons not demonstrating financial responsibility will not be approved.
- Experience: An applicant who is not natural person must designate a natural person as the QE. The QE must have at least 2 years of experience within the last five years in the mortgage industry and must be licensed as a mortgage agent. The QE must be present at the office the majority of time the office is open to the public and may only be designated to oversee one office of the licensee.
- Net worth: a mortgage broker that maintains third party investment or servicing accounts must maintain the net worth prescribed in NRS 645B.175. All brokers must maintain a positive net worth.
- Each natural person who holds either a 10% or greater ownership in the company or directs and controls the company, as well as the designated qualified employee must be in compliance with court ordered child support obligations.

**WHO TO CONTACT** – Contact the Division of Mortgage Lending licensing staff by phone at (775) 684-7060 or send your questions via e-mail to [mldinfo@mld.nv.gov](mailto:mldinfo@mld.nv.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 YOUR LEGAL COUNSEL.