

## **Robin M. Gronsky**

Attorney at Law

315 North Pleasant Avenue

Ridgewood, New Jersey 07450

(201) 251-8001

[RGronsky@GronskyLaw.com](mailto:RGronsky@GronskyLaw.com)

Fax (201) 701-0407

### **Is There a Specific Order For Completing The Licensing Requirements for a Loan Originator?**

I've been receiving phone calls and emails from people who want to get licensed as mortgage loan originators (usually known as loan officers). One of their questions is whether there is a required order in which to complete the various requirements that must be satisfied in order to get your loan officer license. There is no required order but certain requirements should be completed before other requirements. You should familiarize yourself with all of the requirements before you even start of the process of licensing.

The licensing laws of each state contain certain disqualifiers to licensing. If you have one of the disqualifiers, you should not even start the licensing process. If you have a dishonesty criminal conviction in your past, no matter how good a citizen you have been since you have been convicted, you will not be approved for a license. A dishonesty crime is theft, embezzlement, fraud, perjury, passing bad checks, among others. These types of crimes are total disqualifiers. If you have a criminal conviction within the past seven (7) years, you are disqualified from licensing. A very bad credit report is not an automatic disqualifier, depending upon the reasons for the bad credit. Were you unemployed for several months and had no income to pay your bills? Or did you declare bankruptcy because you had so much consumer debt due to purchases of lots of "stuff" that you were overwhelmed with bills? Depending upon the circumstances of your bad credit items, you may still get approved for your license.

Assuming you have no automatic disqualifiers, you need to create an MU4 record in the Nationwide Mortgage Licensing System (NMLS) database. The creation of your record gives you an NMLS number that you will keep throughout your life. In the mortgage broker/lender world, your NMLS number is your identifier the same way your social security number is your identifier elsewhere.

After you get your NMLS number, you start to complete the licensing requirements: taking pre-licensing education, passing the state and national tests, sending your authorization so that your state regulators can pull your credit report, and getting your background check done. There is no required sequence in which to complete these requirements. The stumbling block for many applicants is passing the tests so make sure you prepare for them.

Contact Robin Gronsky at [Robin@Mortgagelicenseresolutions.com](mailto:Robin@Mortgagelicenseresolutions.com) to find out how Gronsky Law can help you with your licensing and compliance problems. This article does not constitute legal advice and is for general information purposes only.