

TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING

2601 North Lamar, Suite 201
Austin, Texas 78705
Office: (512) 475-1350
Fax: (512) 475-1360
LICENSING@sml.state.tx.us
www.sml.state.tx.us

MORTGAGE BROKER / LOAN OFFICER LICENSE RENEWAL APPLICATION PACKAGE

NOTE: THE RENEWAL APPLICATION MUST BE TYPED OR LEGIBLY PRINTED AND ACCOMPANIED BY ALL NECESSARY SUPPORTING DOCUMENTATION AND APPLICABLE FEES BEFORE PROCESSING CAN BEGIN. INCOMPLETE RENEWAL APPLICATIONS WILL ADD SIGNIFICANT DELAY TO THE PROCESS. ONLY ORIGINAL SIGNATURES WILL BE ACCEPTED.

To ensure your renewal application is processed as expeditiously as possible, every question should be answered (use "N/A" if not applicable - do not leave blank). It is essential that all necessary supporting documentation be attached to your application. A checklist has been provided to assist you with this process. Please read all instructions carefully.

Enclosed are:

- Renewal Application Checklist
- Renewal Application Instructions
- Renewal Application for Texas Mortgage Broker / Loan Officer License
- Loan Officer Sponsor Certification
- Personal Financial Statement
- Company Financial Statement
- Surety Bond

An application should not be submitted until all information is complete and available to be provided along with the application at the time of submission. If an application is received that is determined to be incomplete, it will be returned to the applicant. In reviewing and processing an application, the department may request clarifying information from the applicant. Any delay in responding to a request for additional information of more than 30 days will result in the application being considered withdrawn and after 90 days will be considered permanently cancelled.

NOTE: Section 156.2081(c) of the Mortgage Broker License Act states that a person whose license has been expired for 91 days or more may not renew the license. The person may obtain a new license by complying with the requirements and procedures for obtaining an original license.

Application fees are non-refundable and non-transferable.

THIS RENEWAL APPLICATION PACKAGE MAY BE REPRODUCED

MORTGAGE BROKER AND LOAN OFFICER LICENSE RENEWAL APPLICATION CHECKLIST

The following checklist is provided for your reference to ensure your renewal application is complete and will be accepted for processing without delay. To avoid submitting an incomplete renewal application, or if you have doubts regarding any questions or required information, please review the Frequently Asked Questions on the Texas Department of Savings and Mortgage Lending website at www.sml.state.tx.us; call the Division of Licensing at (512) 475-1350 or 877-276-5550; or email to LICENSING@sml.state.tx.us.

A complete **Mortgage Broker** renewal application includes the following documents:

- _____ Completed renewal application
- _____ ***Depending on how you determine you meet the financial requirements for a Mortgage Broker:***
- _____ Evidence of \$25,000 personal net worth (current Personal Financial Statement, with a Company Financial Statement, if applicable)
- _____ *OR*
- _____ Evidence of renewed \$50,000 Surety Bond (**originals only**)
- _____ Documentation required in response to Criminal History question, if applicable
- _____ Documentation required in response to Civil Litigation question, if applicable
- _____ Evidence of required Continuing Education, if applicable *OR*
- _____ Evidence of existing license to be used in lieu of Continuing Education, if applicable
- _____ Check or money order for all applicable fees payable to:
 - Texas Department of Savings and Mortgage Lending**
 - \$375 application fee + \$20.00 Recovery Fund fee (Total = \$395)
 - If the license has expired, include the following additional penalty fee:
\$187.50 if license is expired 1-90 days

A complete **Loan Officer** renewal application includes the following documents:

- _____ Completed renewal application
- _____ Documentation required in response to Criminal History question, if applicable
- _____ Evidence of required Education, if applicable *OR*
- _____ Evidence of existing license to be used in lieu of Continuing Education, if applicable
- _____ Loan Officer Sponsor Certification Form (if changing sponsoring Mortgage Broker or license has expired)
- _____ Check or money order for all applicable fees payable to:
 - Texas Department of Savings and Mortgage Lending**
 - \$175 Application Fee + \$20.00 Recovery Fund Fee (Total = \$195)
 - If the license has expired, include the following additional penalty fee:
\$87.50 if license is expired 1-90 days

Mail application and payment to: **Texas Department of Savings and Mortgage Lending
Division of Licensing
2601 North Lamar Blvd., Ste. 201
Austin, Texas 78705**

Renewal applications should be mailed to the Texas Department of Savings and Mortgage Lending at least ten (10) days prior to the license expiration date and no earlier than 90 days prior to the expiration date.

**MORTGAGE BROKER / LOAN OFFICER LICENSE
RENEWAL APPLICATION INSTRUCTIONS
PLEASE READ BEFORE YOU FILL OUT APPLICATION**

- Be certain your renewal application is complete and any supporting documentation is provided. Incomplete renewal applications significantly delay the processing of your request.
- It is necessary to ONLY complete the parts of the renewal application that applies to the type of license you hold. Application Question Key: Mortgage Broker Question = **MB** Loan Officer Question = **LO**

PART I	MB & LO	
PART II	MB & LO	
PART III	Question #1	MB
	Question #2	MB & LO
	Question #3	LO
	Question #4	MB & LO
	Question #5	MB & LO
PART IV	MB & LO	
PART V	MB & LO	

- In order to assist you in completing the application, please read these clarifications regarding certain questions:

PART I – GENERAL

It is important to provide current and accurate contact information on where you can be faxed or emailed regarding any questions we have of you. Applications not completed within 90-days from date of receipt for failure to respond to our requests for additional information will result in a cancelled application, and must re-apply. No extension to the expiration date is allowed, regardless of the circumstances.

PART II – COMPANY INFORMATION

Complete this section if the information has changed from your last application.

PART III – ADDITIONAL PERSONAL INFORMATION

Question #1. **Financial Requirement.** All mortgage broker applicants must submit a current personal financial statement or provide an original \$50,000 surety bond. The forms provided in the application package must be used, but can be supplemented with a recent, i.e., no more then six-months old, GAAP-compliant statement. Credit reports will be acquired by the department to validate personal financial stated liabilities.

Question #2. **Personal History.** It is critical that you read these questions carefully. If in doubt about an offense that occurred during the term of your license, answer “yes” and explain. Provide all of the documents requested in the application if you answer “yes”. Your response and any documentation you provide will be used in conjunction with a Texas Department of Public Safety report processed on your criminal history. Keep in mind that a conviction may not disqualify you from renewing your license but a false statement will.

Question #3. **Certification of Sponsoring Broker.** If you are a loan officer and you are changing your sponsoring mortgage broker, or you have allowed your license to expire, you must submit a complete and notarized Loan Officer Sponsor Certification Form with your renewal application. A loan officer may renew a license without an active mortgage broker sponsor and have the license issued as inactive until sponsorship is acquired.

Question #4. **Location of Books and Records.** Mortgage brokers must provide current information regarding the location of mortgage records and files for three years after the close of the transaction.

Question #5. **Additional Comments.** This is your opportunity to provide any other documentation that you believe will assist the department in the review of your application. For example, perhaps you have a criminal history that you would like to address more extensively by providing reference letters on your behalf, or you may have additional information regarding your personal financial statement that you would like to address.

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RENEWAL APPLICATION FOR: MORTGAGE BROKER LICENSE
LOAN OFFICER LICENSE

– THIS RENEWAL APPLICATION MUST BE TYPED OR LEGIBLY PRINTED –
– FEES ARE NON-REFUNDABLE AND NON-TRANSFERABLE –

PART I – GENERAL.

MORTGAGE BROKER OR LOAN OFFICER LICENSE NUMBER: _____

APPLICANT'S FULL NAME: _____

SOCIAL SECURITY #: _____ - _____ - _____ DRIVER'S LICENSE: State _____ License Number _____

PERSONAL PRINCIPAL RESIDENCE ADDRESS: _____

CITY, STATE, ZIP: _____

Indicate below where you can be reached during normal business hours. This information will be used if the department needs to contact you regarding your renewal application, etc. Failure to provide current and accurate contact information may delay processing of your renewal application. Any renewal application not completed within 90 days will be considered permanently withdrawn.

PHONE: () _____ FAX: () _____

E-MAIL ADDRESS: _____

PART II – COMPANY INFORMATION. If your information has changed from your last application, list the name of each company or other type of business through which you conduct mortgage broker or loan officer activities or advertise mortgage services (your "Company") and provide the following information for each company or business (attach additional pages as necessary). If the company is operating under an assumed name, list the name and attach a copy of the Assumed Name Certificate from the County Clerk's Office or Secretary of State if not previously provided during your initial license application:

COMPANY NAME: _____

SPONSORING MORTGAGE BROKER OR ENTITY LICENSE #: _____

PRIMARY TEXAS BUSINESS ADDRESS: _____

(Physical Office Address Required – P.O. Box Not Acceptable)

CITY, STATE, ZIP: _____

PART III – ADDITIONAL PERSONAL INFORMATION.

1. **Financial Requirement.** If you are a mortgage broker applicant, check one of the following:

- I have net assets of at least \$25,000.** Provide a signed and dated Personal Financial Statement. If the financial statement includes assets related to the value of a mortgage brokerage company, include a signed and dated Company Financial Statement.
- I have enclosed an original surety bond in an amount of at least \$50,000,** the term of which does not expire for at least two years from the date of this application.

2. **Personal History.** Answer all questions keeping in mind that a false statement will disqualify you from licensing consideration:

- (a) Have you ever been convicted of any **criminal offense**? (*Include all felonies and misdemeanors.*) Yes No
- (b) Have you ever had a sentence imposed on you, including probation, community supervision deferred adjudication, or fines, or did the court defer final disposition in any case against you? Yes No
- (c) Are there any criminal charges currently pending against you? Yes No
If you answered yes to (a), (b), or (c), you must provide certified copies of all court indictments and/or judgments; certified copies of all court orders; proof that you have paid all outstanding court costs, supervision fees, fines, and restitution ordered by the court; and an explanation of the circumstances and events of the criminal action that led to the conviction or sentence. You should also provide any additional information that would assist this office in making an informed decision on your application.
- (d) With the exception of family law, bankruptcy, and probate proceedings, have you ever been sued or had a judgment or a court order entered against you, or been a party to the settlement of a lawsuit that had been filed against you? **If you answered yes to (d),** provide certified copies of all such court judgments, lawsuit petitions, and settlement agreements. Yes No
- (e) Are you currently, or have you ever been, licensed by a federal or state regulatory authority? **If you answered yes to (e),** provide a list of the federal and state agencies and current licensing history and status. Yes No
- (f) Have you ever been banned, suspended, disciplined, or received any regulatory order from a federal or state regulatory authority? **If you answered yes to (f),** provide a detailed explanation of the events and any supporting documentation. Yes No

If yes to any of the above, you must provide certified copies of all court indictments and/or judgments; certified copies of all court orders; proof that you have paid all outstanding court costs, supervision fees, fines, and restitution ordered by the court; and an explanation of the circumstances and events of the criminal action that led to the conviction or sentence. You should also provide any additional information that would assist this office in determining whether the conviction relates to the occupation of mortgage brokerage.

3. **Certification of Sponsoring Mortgage Broker.** If you are a loan officer applicant, check one of the following:

- I have a sponsoring mortgage broker.** Attach the certification form signed by you and the mortgage broker serving as your sponsor.
- I do not have a sponsoring mortgage broker at this time** but desire to have my license approved as inactive until I can locate a mortgage broker to sponsor me.
 Yes No

4. **Location of Books and Records.** If you are a mortgage broker, provide the contact information of where your mortgage-related records will be located. If the information is the same as Part II, type or write "SAME AS PART II" in each space provided.

Contact Person/Title: _____
Address: _____
City, State, ZIP: _____
Phone: (_____) _____

5. **Additional comments:** If you have any additional comments or information that would assist the Commissioner in issuing your license, provide on a separate sheet and include with this application.

PART IV – CONTINUING EDUCATION.

The Mortgage Broker License Act requires that a mortgage broker and loan officer licensed under the Act to obtain 15 hours of continuing education as a prerequisite for renewal of their license unless he/she maintains one of the licenses listed below. Complete either Section 1 or Section 2, as appropriate:

Section 1. I hold a current and active license in Texas in one or more of the following categories:

Legal

___ Attorney, # _____

Real Estate

___ Broker, # _____, expiration date _____

___ Salesperson, # _____, expiration date _____

Insurance

___ Life, Accident, Health & HMO Agent, # _____, expiration date _____

___ Property & Casualty Agent, # _____, expiration date _____

___ Multiple Lines Agent, # _____, expiration date _____

___ Managing General Agent, # _____, expiration date _____

Section 2. During the term of my license, I have completed at least 15 hours of continuing education related to the residential mortgage lending industry approved by the Texas Department of Savings and Mortgage Lending. I have attached copies of my completion certificates with this renewal application.

___ I have taken at least 15 hours of continuing education as evidenced by the attached certificates, which includes at least 8 hours of Core or Ethics training.

PART V – SIGNATURE

VERIFICATION / CONFIRMATION AUTHORIZATION

I AUTHORIZE THE TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING, OR ITS DESIGNEE OR ASSIGNS, TO OBTAIN ANY AND ALL INFORMATION THEY DEEM NECESSARY REGARDING MY CREDIT, EMPLOYMENT STATUS/HISTORY, FINANCIAL CONDITION, LEGAL STATUS/HISTORY AND PERSONAL AND/OR PROFESSIONAL BACKGROUND, INCLUDING A CRIMINAL BACKGROUND CHECK, IN ORDER TO DETERMINE ELIGIBILITY AND DISPOSITION OF MY APPLICATION. ANY AND ALL RELEASE OF INFORMATION REQUESTED BY THE TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING FROM ANY OF MY CREDIT SOURCES, EMPLOYERS, FINANCIAL INSTITUTIONS, AND OTHER SOURCES OF INFORMATION IS WITH MY FULL AND UNCONDITIONAL AUTORIZATION.

I AUTHORIZE THE TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING TO REPRODUCE THIS ACKNOWLEDGED FORM AS MANY TIMES AS NECESSARY TO OBTAIN THE NECESSARY INFORMATION; THEREFORE, A COPY BEARING MY SIGNATURE SHOULD BE CONSIDERED THE SAME AUTHORIZATION AS THE ORIGINAL.

I HOPE EACH COMPANY AND AGENCY PROVIDING REQUESTED INFORMATION TO THE TEXAS DEPARTMENT OF SAVINGS AND MORTGAGE LENDING AND ITS OFFICERS, DIRECTORS, AGENTS AND/OR EMPLOYEES HARMLESS FOR ACCURATELY AND PROMPTLY FURNISHING THE REQUESTED INFORMATION.

CERTIFICATION

UNDER PENALTY OF PERJURY, I HEREBY SWEAR OR AFFIRM THAT ALL THE FOREGOING INFORMATION AND ALL THE INFORMATION PROVIDED WITH THIS APPLICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND I UNDERSTAND THAT ANY FALSE REPRESENTATION, MISREPRESENTATION OR MATERIAL OMISSION IN THIS APPLICATION, NO MATTER WHEN DISCOVERED, MAY SERVE AS A BASIS FOR DENIAL OF MY LICENSE, REVOCATION OF MY LICENSE, ADMINISTRATIVE PENALTIES AND/OR OTHER DISCIPLINARY ACTIONS OR REMEDIES ALLOWED BY LAW.

I UNDERSTAND THAT FAILURE TO ANSWER ANY QUESTION TRUTHFULLY ON THIS APPLICATION WILL DISQUALIFY ME FROM RECEIVING A LICENSE.

SIGNATURE:

Applicant

State of _____

County of _____

Sworn to (or affirmed) and subscribed before me this _____ day of _____, 200_____ by

(Printed name of applicant)

Notary Public - Signature

Commission Expiration Date

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Website: www.sml.state.tx.us

LOAN OFFICER SPONSOR CERTIFICATION

Printed Name of Loan Officer Applicant or Licensee

Signature

This is to confirm that I, the undersigned, hereby agree to serve as the **Sponsoring Mortgage Broker** under the Texas Mortgage Broker License Act of 1999 for the individual named above. I have read and understand the requirements of the Act. I understand that as the Sponsoring Mortgage Broker, I am responsible to the Texas Department of Savings and Mortgage Lending Commissioner and members of the general public for any act or conduct of this Loan Officer performs under the Act. I acknowledge this responsibility and accountability for his/her actions and know of no reason why this individual should not be granted a Loan Officer license.

I understand that a loan officer may only act for one mortgage broker at a time and that if my sponsorship of this person is terminated for any reason, I must immediately notify the Commissioner in writing of such.

Check and complete one, as applicable:

_____ My Mortgage Broker License number is _____

OR

_____ The Entity Mortgage Broker License number is _____.

_____ This Loan Officer Sponsor Certification is being submitted concurrently with my own _____ Mortgage Broker License Application or _____ Entity Mortgage Broker License. The individual named above understands that his/her approval as a licensed loan officer is contingent upon the approval of my application.

_____ I have previously applied for licensing as a _____ Mortgage Broker or an _____ Entity Mortgage Broker. The application was submitted to the Texas Department of Savings and Mortgage Lending on or about _____ (date). The individual named above understands that his/her approval as a licensed loan officer is contingent upon the approval of my application.

Printed Name of Sponsoring Mortgage Broker

Signature

ACKNOWLEDGMENT

State of _____

County of _____

This document was acknowledged before me on this _____ day of _____, 200_____

by _____.

(Printed name of Sponsoring Mortgage Broker)

Seal

Notary Public – Signature

Commission Expiration Date

FINANCIAL REQUIREMENTS FOR A MORTGAGE BROKER

Instructions and Forms

The Mortgage Broker License Act, Chapter 156.205, requires that a mortgage broker must **maintain** net assets (the difference between total assets and total liabilities) of a least \$25,000, or a surety bond in the amount of at least \$50,000. The term of the surety bond must coincide with the term of the license. In addition, the commissioner shall require proof of compliance with this section at the time the mortgage broker applies for or renews a license.

Included in this application supplement are:

1. Instructions for completing a Personal Financial Statement
2. Personal Financial Statement Form
3. Homestead & Personal Property Exemptions
4. Instructions for completing a Company Financial Statement
5. Company Financial Statement Form
6. Instructions for completing a Surety Bond Form
7. Surety Bond Form

FINANCIAL REQUIREMENTS FOR A MORTGAGE BROKER

Personal Financial Statement Instructions

Carefully read the instructions for completing the Personal Financial Statement form. If it is determined that items were valued according to methods not consistent with Generally Accepted Accounting Principles and Generally Accepted Auditing Standards, those items will be assigned a value of "0". Failure to provide full disclosure of your assets and liabilities could result in your application for licensure to be denied. You will not be given the opportunity to submit a revised personal financial statement since you agree under oath that your statement was complete and accurate, and does not materially misstate your financial condition. It is strongly suggested that you consult with your accountant when preparing this information.

ITEM

NUMBER INSTRUCTION

General	
1	Enter your full name and, if this is a renewal application, your mortgage broker license number.
2	Enter the date you prepared your personal financial statement.
3	Check the appropriate response regarding any bankruptcy filings. If you have multiple filings, include details on each filing.
Assets (NOTE: You may not claim assets that are exempt from seizure or attachment under the Texas Property Code Chapters 41 and 42. A list of the items that may not be used as assets is included in this application supplement.)	
4	Enter the amount of cash you currently have on hand. This should represent the average balance of cash on hand over a significant period of time verifiable through bank records.
5	Enter the total value of any government securities held (e.g., treasury bonds). Provide details on page 2 of the Personal Financial Statement under Schedule A.
6	Enter the total value of any listed securities held (e.g., stocks, bonds, mutual funds). Provide details on page 2 of the Personal Financial Statement under Schedule A.
7	Enter the total value (less valuation on primary residence) of any real estate held (e.g., vacation homes, rental properties). Provide details on page 2 of the Personal Financial Statement under Schedule B. NOTE: Foreign property cannot be included.
8	Enter the total value from vehicles owned (less one vehicle valuation for each household member possessing a driver's license). Provide details on page 2 of the Personal Financial Statement under Schedule C.
9	Enter total value of other investments and any private company owner's equity held (e.g., any company you own or share ownership). Provide details on page 2 of the Personal Financial Statement under Schedule D. IMPORTANT: If you list a percentage ownership in a business, attach the Company Financial Statement form with your supporting documentation, schedules, and statements.
10	Enter the total value of your personal property. NOTE: Personal property may not be included in determining net worth until the aggregate amount exceeds \$30,000 for an individual. Provide a detailed inventory of the items and values on a separate sheet of paper.
11	Enter the total dollar amount of your assets from items 5 through 10.
Liabilities (NOTE: List ALL liabilities you have with the exception of any outstanding mortgage loan on your primary residence. Liabilities will be verified using a current credit report obtained from a national reporting company.)	
12	Enter the total dollar amount of all outstanding debts payable to banks that are secured by collateral (e.g., your vacation home).
13	Enter the total dollar amount of all outstanding debts payable to banks that are unsecured by collateral (e.g., a student loan, even if deferred).
14	Enter the total dollar amount of all outstanding debts payable to others that are secured by collateral (e.g., where you are a co-signer for a relative's loan).
15	Enter the total dollar amount of all outstanding debts payable to others that are unsecured by collateral (e.g., general credit card debt).
16	Enter the total dollar amount of any miscellaneous debts not covered in the categories above (e.g., government tax liens or child support judgments).
17	Enter the total dollar amount of any potential liabilities resulting from pending civil judgments.
18	Enter the total dollar amount of your liabilities from items 12 through 17.
Net worth and signature.	
19	Enter the total dollar amount of net worth (i.e., your assets minus your liabilities).
20	CAREFULLY read the statement above the signature line. Once you are satisfied with the information you have provided on the Personal Financial Statement, sign and date the form.

PERSONAL FINANCIAL STATEMENT

(Page 1 of 2)

1. Applicant Name: _____ License #: _____

2. Date prepared: _____

3. Have you ever filed for bankruptcy?
() No () Yes, on _____, and was discharged on: _____.
(Date) (Date)

ASSETS

4. Cash on hand \$ _____

5. Government securities (See Schedule A) \$ _____

6. Listed securities (See Schedule A) \$ _____

7. Real estate owned excluding principal residence (See Schedule B) \$ _____

8. Vehicles owned (See Schedule C) \$ _____

9. Other investments and private company owner's equity (See Schedule D) \$ _____

10. Personal property (Attach an inventory and valuation per item) \$ _____

11. Total Assets \$ _____

LIABILITIES

12. Notes payable to banks (secured) \$ _____

13. Notes payable to banks (unsecured) \$ _____

14. Notes payable to others (secured) \$ _____

15. Notes payable to others (unsecured) \$ _____

16. Miscellaneous debts payable to others \$ _____

17. Contingent liabilities \$ _____

18. Total Liabilities \$ _____

19. NET WORTH (Total assets minus total liabilities) \$ _____

Instructions: You may use a variety of methods for assigning value if the assets so valued are itemized on an attached schedule accompanied by a detailed explanation of the method used. Items valued according to methods not consistent with Generally Accepted Accounting Principles and Generally Accepted Auditing Standards will be assigned a value of "0". For additional details regarding homestead and personal property exemptions, reference Chapter 41 and Chapter 42 of the Texas Property Codes.

Under penalty of perjury, I have prepared this Personal Financial Statement and submitted it to the Texas Department of Savings and Mortgage Lending Commissioner in connection with an application for licensing under the Texas Mortgage Broker License Act of 1999. To the best of my knowledge it is complete and accurate and does not materially misstate my true financial condition. I understand that a financial credit check will be processed to validate the information provided above.

20. _____
Applicant Signature

Date

PERSONAL FINANCIAL STATEMENT

(Page 2 of 2)

Schedule A – Government stocks and bonds, mutual funds, or other listed and unlisted securities owned. Attach additional pages if necessary.

NUMBER OF SHARES OR FACE VALUE	COMPLETE DESCRIPTION	Part of Retirement Account? (Y/N)	HELD IN NAME OF	CURRENT MARKET VALUE
				\$
				\$

Schedule B – Real Estate Owned (Include primary residence for verification purposes). Attach additional pages if necessary.

DATE ACQUIRED	DESCRIPTION & ADDRESS OF PROPERTY	TITLE IN NAME OF	APPRAISED VALUE	MORTGAGE AMOUNT
	<i>EXEMPT PRIMARY RESIDENCE</i>		\$	\$
			\$	\$
			\$	\$

Schedule C – Vehicles Owned. Attach additional pages if necessary.

DATE ACQUIRED	COMPLETE DESCRIPTION	MAKE/MODEL/ YEAR	TITLE IN NAME OF	BALANCE OWED	CURRENT MARKET VALUE
				\$	\$
				\$	\$

Schedule D – Other Investments. Attach additional pages if necessary.

DATE ACQUIRED	COMPLETE DESCRIPTION	Part of Retirement Account? (Y/N)	HELD IN NAME OF	PERCENT OWNERSHIP	CURRENT MARKET VALUE
					\$
					\$

HOMESTEAD & PERSONAL PROPERTY EXEMPTIONS

The following items are not allowable in determining a mortgage broker's net worth when completing a Personal Financial Statement as part of an initial or renewal application:

Texas Property Code

Chapter 41. Interests in Land

41.001. Interests in Land Exempt from Seizure

- Homestead (i.e., personal residence) NOTE: Temporary renting of a homestead does not change its homestead character if homestead claimant has not acquired another homestead (41.003. Temporary Renting of a Homestead)
- Lots used for a place of burial of the dead

Chapter 42. Personal Property

42.002. Personal Property

The following items may not be included in determining net worth until the aggregate amount exceeds \$60,000 for a family or \$30,000 for an individual (42.001. Personal Property Exemption):

- Home furnishings, including family heirlooms
- Provisions for consumption (i.e., food, liquor, etc.)
- Farming or ranching vehicles & implements
- Tools, equipment, books, & apparatus, including boats and motor vehicles used in a trade or profession
- Clothing
- Jewelry not to exceed 25% of the aggregate limitations listed above
- Two firearms
- Athletic & sporting equipment, including bicycles
- A 2-wheeled, 3-wheeled, or 4-wheeled motor vehicle for each member of a family or single adult who holds a driver's license or who relies on someone else for transportation
- Certain animals: 2 horses, mules, or donkeys & a saddle, blanket, and bridle for each; 12 head of cattle; 60 head of other types of livestock; and 120 fowl; household pets

42.0021. Additional Exemption for Retirement Plan

- Payments from stock bonus, pension, profit-sharing, or similar plans, including annuity or similar contracts
- Individual retirement plans (excluding Roth IRAs) & pensions

42.0022. Exemption for College Savings Plans

- Prepaid tuition contracts; educational savings trust accounts; and qualified tuition programs of any state.

FINANCIAL REQUIREMENTS FOR A MORTGAGE BROKER
Company Financial Statement Instructions

Carefully read the instructions for completing the Company Financial Statement form. This statement can ONLY be used if you are claiming any assets attributed to a company in which you claim a percentage ownership as identified on your Personal Financial Statement and Schedule C. You will not be given to opportunity to submit a revised company financial statement since you agree under oath that your statement was complete and accurate, and does not materially misstate your financial condition. It is strongly suggested that you consult with your accountant when preparing this information.

**ITEM
NUMBER INSTRUCTION**

General	
1	Enter your full name and, if this is a renewal application, your mortgage broker license number.
2	Enter the date you prepared your personal financial statement.
3	Enter the name of your company and the percentage of ownership you have with the company. (You must provide documentation to support percentage of ownership.)
Assets (NOTE: You may not claim assets that are exempt from seizure or attachment under the Texas Property Code Chapters 41 and 42. A list of the items that may not be used as assets is included in this application supplement.)	
4	Enter the amount of cash you currently have on hand. This should represent the average balance of cash on hand over a significant period of time verifiable through bank records.
5	Enter the total value of any furniture, fixtures & equipment you have as part of the company. (NOTE: If you are a sole proprietor this item comes under the Texas Property Code and may be considered exempt assets.)
6	Enter the total value of any other investments held by the company. Attach documentation to support the entry, including a basis of valuation.
7	Enter total value of any Reserves you maintain for the business.
8	Enter the total value of any other assets held by the company. Attach documentation to support the entry, including a basis of valuation.
9	Enter the total dollar amount of your assets from items 4 through 8.
Liabilities	
10	Enter the total dollar amount of all outstanding debts from notes or direct obligations.
11	Enter the total dollar amount of all outstanding debts payable to your vendors, etc.
12	Enter the total dollar amount of all outstanding debts not covered above.
13	Enter the total dollar amount of your liabilities from items 10 through 12.
Net worth and signature.	
14	Enter the total dollar amount of net worth (i.e., your assets minus your liabilities).
15	CAREFULLY read the statement above the signature line. Once you are satisfied with the information you have provided on the Company Financial Statement, sign and date the form.

COMPANY FINANCIAL STATEMENT

1. Applicant Name: _____ License #: _____
2. Date prepared: _____
3. Name of company: _____ Ownership: _____ %

ASSETS

4. Cash on hand \$ _____
5. Furniture, fixtures & equipment \$ _____
6. Other investments (Attach documentation, including a basis of valuation) \$ _____
7. Reserves \$ _____
8. Other assets (Attach documentation, including a basis of valuation) \$ _____
9. **Total Assets** \$ _____

LIABILITIES

10. Notes / direct obligations \$ _____
11. Accounts payable \$ _____
12. Other liabilities \$ _____
13. **Total Liabilities** \$ _____
14. **NET WORTH (Total assets minus total liabilities)** \$ _____

Instructions: Attach any necessary documentation to support the information provided. On any assets being amortized indicate most recent unamortized balance.

Under penalty of perjury, I have prepared this Company Financial Statement and submitted it to the Texas Department of Savings and Mortgage Lending Commissioner in connection with an application for licensing under the Texas Mortgage Broker License Act of 1999. To the best of my knowledge it is complete and accurate and does not materially misstate my true financial condition. I understand that a financial credit check may be processed to validate the information provided above.

15. _____
Applicant Signature Date

FINANCIAL REQUIREMENTS FOR A MORTGAGE BROKER

Bond

Carefully read the instructions for completing the Bond form.

ITEM INSTRUCTION

ITEM	INSTRUCTION
Surety Bond	A surety bond is a contract between at least three parties: (1) the principal (i.e., the mortgage broker applicant or licensee, or the mortgage broker entity); (2) the obligee (i.e., the Texas Department of Savings and Mortgage Lending (SML); and (3) the surety (i.e., the bonding company). Through this agreement, the surety agrees to make the obligee whole (usually by payment of money) if the principal defaults in its performance of its promise to the obligee. The contract is formed so as to induce the obligee to contract with the principal, i.e., to demonstrate the credibility of the principal. Only a surety bond fulfills the obligation of the mortgage broker; a dishonesty bond or fidelity bond, for example, are not substitutions.
Bond Number	The bond number must be the actual number assigned to the bond, not the application number or preliminary reference number.
Principal	The principal (i.e., the mortgage broker applicant or licensee, or the mortgage broker entity) is the actual name of the person applying for the bond. For example, for an individual mortgage broker the principle is the application personal name and for an entity mortgage broker license the principle is the company name.
Surety	The surety (i.e., the bonding company) must be registered with the Texas Department of Insurance. A list of acceptable companies can be retrieved at: http://www.tdi.state.tx.us/commercial/pcbond.html .
Amount	The amount of the bond must be at least \$50,000.
Effective Date	The effective date should correspond to the date of your license and be in effect for the entire term of your license.
Execution of the Bond	The bond must be properly executed by the licensed surety bonding company. Bond information, including issuing company, will be verified for authenticity.
Proof of Bond	Only the original bond , or letter of renewal, will be accepted as proof of having secured the surety bond.

BOND

Bond Number _____

KNOW ALL PERSONS BY THESE PRESENT THAT WE, the undersigned _____, as Principal, and _____, as Surety, are held and firmly bound unto the Texas Department of Savings and Mortgage Lending Commissioner of the State of Texas (the "Commissioner"), as obligee, in the sum of FIFTY THOUSAND DOLLARS (U.S. \$50,000) for the use of the Commissioner and any other person or persons who may have a claim against the aforesaid Principal arising out of or relating to the activities of said Principal as a Mortgage Broker licensed by the Commissioner under the Texas Mortgage Broker License Act (the "Act"), Finance Code Chapter 156, for the payment of which, well and truly to be made, the undersigned Principal and Surety, jointly and severally bind themselves and their successors, executors, heirs, administrators, and assigns by these presents.

WHEREAS, the undersigned principal has applied to the Commissioner for a license as a Mortgage Broker as defined and set forth in the Act, and

WHEREAS, this Bond is being provided to satisfy the financial requirements set forth in Section 156.205 of the Act.

NOW, THEREFORE, the condition of the obligations evidenced by this Bond is as follows:

1. This Bond is to provide financial surety for the discharge by the Principal of any and all monetary obligations to the Commissioner and/or the Texas Department of Savings and Mortgage Lending and/or any person to whom an obligation of the Principal arises by virtue of any and all acts or omissions arising under or relating to the Act or any regulations, rules, or orders issued or promulgated pursuant thereto.
2. If the Principal shall duly and fully comply at all times with and timely discharge all such obligations arising under the Act and/or any such regulations, rules, and orders, then the Surety shall have no monetary obligation hereunder.
3. This Bond shall remain in effect for the entire term of the License in connection with which it is being issued, unless sooner revoked by thirty (30) or more day's written notice to the Commissioner. Revocation hereof shall not alter or reduce the liability of the Surety for any claims relating to or arising out of facts and circumstance that occurred prior to the effective date of such revocation.
4. This Bond shall automatically renew for any succeeding renewals of the license in connection with which it is being issued without need of any action or notice by any party, provided, however, that the Surety may, by written notice at least thirty (30) days prior to the end of such term, advise the Commissioner in writing that this Bond will not be renewed.
5. The aggregate liability of the Surety hereunder is limited to at least U.S. \$50,000. Any person or party making a claims or claims under this Bond may make such claim or claims in amounts less than the full amount of this bond, and multiple claims are permitted, provided that the aggregate liability of the Surety hereunder does not exceed U.S. \$50,000.
6. This Bond is effective the _____ day of _____, 20__ and remains in effect until the _____ day of _____, 20__, which is the entire term of the two year license period.

IN WITNESS WHEREOF, the undersigned have executed this Bond this _____ day of _____, 20__.

SURETY (Surety Bond Company)

PRINCIPAL (Mortgage Broker Applicant/Licensee or Entity Mortgage Broker Applicant/Licensee)

Printed name: _____

Printed name: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

Title: _____

Title: _____