

Wisconsin Mortgage Lending Licensing and Regulation							
Regulator	Department of Financial Institutions (WDFI) 342 West Washington Avenue Madison, WI 53703		Phone (608) 261-7578 Fax (608) 267-6889 www.wdfi.org				
Licensing Requirements							
Type	Required?	Physical Location?	Test Fee	Initial Fee	Renewal Fee	Late Fee	Time
Mortgage Banker	Yes	No	n/a	\$1,000	\$1,000	\$100	2 yrs
Mortgage Broker	Yes	No	n/a	\$750	\$1,000	\$100	2 yrs
Loan Originator	Yes	No	\$150	\$250	\$250	\$100	2 yrs
Loan Solicitor	Yes	No	\$150	\$250	\$250	\$100	2 yrs
Loan Processor	No	n/a	n/a	n/a	n/a	n/a	n/a
Net Worth	Mortgage Banker		\$100,000 in Net Worth OR \$25,000 Surety Bond, Letter of Credit and \$250,000 Warehouse Line of Credit				
	Mortgage Broker		\$100,000 in Net Worth OR \$10,000 Surety Bond, Letter of Credit				
	Banker without Office		\$250,000 CPA Audit Reviewed Net Worth AND \$300,000 surety bond				
	Broker without Office		\$250,000 CPA Audit Reviewed Net Worth AND \$120,000 surety bond				
Principals/Owners	Individuals owning > 10% are subject to licensing review						
Exemptions	Mortgage Banker with Physical Office and regular hours open to public and Seller-Servicer approval from FHLMC, FNMA, HUD, and GNMA are exempt from net worth requirement. Standard entities regulated by Federal or other branch of State Individual using his/her own money to make a loan – up to 4 loans a year						
Notes	<ul style="list-style-type: none"> <li>• LOAN SOLICITOR – limited activity, may only represent one lender, may not accept funds from applicant</li> <li>• Physical Location not required, but affects net worth and annual reporting requirement</li> <li>• Entities must provide Good Standing Certificate</li> <li>• Late Fee due date – after 30 days must reapply</li> <li>• Certificates/Licenses expire on first of the month of 2<sup>nd</sup> year of issue.</li> <li>• Change in license – must give notice within 15 days – NO transfer of license</li> <li>• Applicants must provide criminal background, credit, resume with work exp. Education</li> </ul>						
Education Requirements							
Type	Initial/Pre-Licensing/Testing		Continuing		Live/On-Line		
Mortgage Banker	None		none		n/a		
Mortgage Broker	None		none		n/a		
Loan Originator	16 or Testing		16 or Testing		Live only		
Loan Solicitor	12 or Testing		12 or Testing		Live only		
Notes	<ul style="list-style-type: none"> <li>• CE “Test Out” exam may avoid CE – <a href="http://www.promissor.com">www.promissor.com</a></li> <li>• Maintain CE records for 4 years – Will not accept other state’s CE.</li> </ul>						
Business Practices							
Trust Accounts	Must maintain trust accounts separate from operating account						
Agreements/ Disclosures	<b>Mortgage Broker Agreement</b> – applicable to brokers only – disclosing 1.) fees/charges payable to 3 <sup>rd</sup> parties and 2.) Whether fees or deposits are refundable <b>Consumer Disclosure Statement</b> – Written statement explaining broker compensation and legal obligations.						
Record Retention	25 Months – all records						
Fines/Penalties	Up to \$2,000/ and 9 mos imprisonment/violation plus license revocation, suspension or denial of						
Responsible High Cost Mortgage Lending							
Max Rate	1 <sup>st</sup> Mortgage 8% - 2 <sup>nd</sup> Mortgage 10% over comparable Treasury Bills						
Max Points	6% in total fees exclusive of 3 <sup>rd</sup> party charges/costs						
Prepayment Penalty	3 Years Max – borrower MUST have option to choose NON-PREPAY penalty loan – sign consumer choice form						
Prohibited Practices	No single premium credit life insurance/disability/unemployment No Payments to Contractors No balloon or call feature/acceleration/negative amortization No advance deposits exceeding 2 mos PITI No Lending without regard to repayment ability No refinancing low or no-cost (subsidized) mortgage Must give 3 days notice PRIOR to closing Must offer counseling.						