



CAREER GUIDE: MORTGAGE LENDING

What is a Mortgage Loan Originator?

Mortgage lending is an exciting career. A home purchase or refinance is one of the biggest financial considerations most people ever make, and as a mortgage loan originator (MLO), your job is to educate and guide borrowers through the process from application to closing. It is a fulfilling way to earn a living and help others at the same time.

Loan originators work at banks, credit unions, savings institutions, and mortgage companies. They are in contact with other professionals daily, such as real estate brokers, property appraisers, attorneys, and escrow closers to monitor the progress of loans from start to finish. They also stay in close touch with borrowers to keep them informed of the loan's progress.

A MLO spends much of his/her time in the field, communicating by email and phone with the office and clients. A typical workweek may be more than 40 hours and include evenings and/or weekends, especially when interest rates are low and the housing market is brisk.

Specific Job Functions:

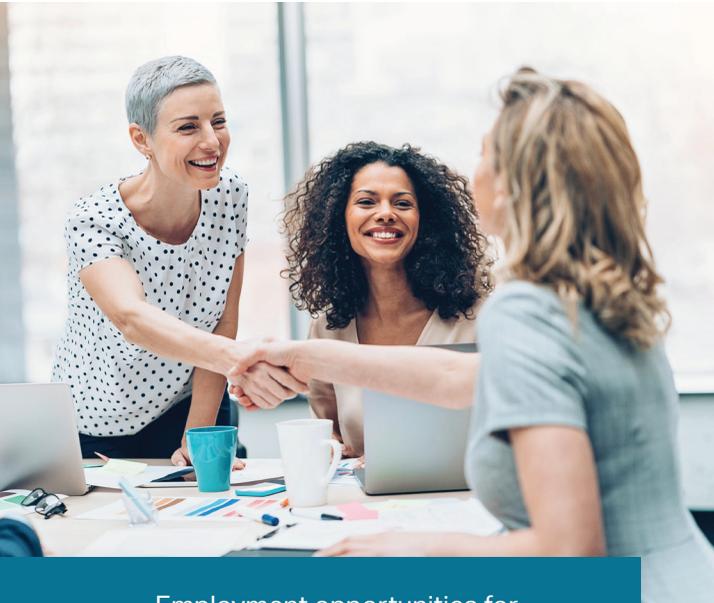
- Interviewing loan applicants and explaining loan terms and conditions
- Analyzing the applicant's financial status, including verifying credit history, income, and the property to determine whether the applicant has the ability to repay the loan
- Ordering appraisals, credit reports, and reference checks
- Preparing loan documentation in accordance with financial institution standards
- Providing status reports to bank management on residential loan production
- Coordinating loan closings with buyers, sellers, real estate agents, and escrow officers
- Resolving customer complaints

What makes someone successful in Mortgage Lending?

- A love of working with people
- Sales ability
- Excellent communication skills
- Strong analytical skills
- Ability to problem solve
- Excellent attention to detail

Employment Prospects

Employment opportunities for commissioned mortgage loan originators will grow about as fast as employment opportunities in general, according to the Bureau of Labor Statistics. The mortgage market is very sensitive to interest rates, which means job opportunities may decline during periods when mortgage interest rates are rising.



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Major Industry Changes in the Last Few Years

As a result of the passage of the [Secure & Fair Enforcement for Mortgage Licensing Act of 2008 \(SAFE Act\)](#), all residential MLOs must be either federally registered or state licensed. A MLO working for a federally insured depository (such as a bank or credit union) must be federally registered with the [Nationwide Mortgage Licensing System \(NMLS\)](#). All other MLOs must be state licensed.

REQUIREMENTS:

- Must be 18 years or older and demonstrate financial responsibility
- A bachelor's degree and some experience in finance and sales is helpful to getting hired, but is not required
- Take **20 hours** of prelicensure education courses approved by the NMLS. Certain states also require that MLOs complete state-specific education (*see next page for more information*).
- Pass a written exam developed and administered by the NMLS.
- Not have been convicted of, or pled guilty or no contest to, a felony within the seven years preceding the date of the license application
- Not have been convicted of, or pled guilty or no contest to, a felony involving fraud, dishonesty, breach of trust, or money laundering, at any time preceding license application
- Not have a record of loan originator license revocation in another state
- Provide fingerprints to the NMLS for an FBI criminal background check and authorize the NMLS to obtain a copy of their credit report.

TIPS FOR ENTRY:

- Check for job opportunities at one of the many banking industry websites for available positions
- Attend job fairs sponsored by state mortgage bankers associations to get to know potential employers
- Contact employers in your area directly for informational interviews
- Ask for referrals from friends or associates

Education & Training

Financial institutions normally provide extensive on-the-job training to loan originator employees. Those individuals that are new to the business will need to become familiar with federal underwriting guidelines, as well as those of individual lenders. Learning to work as a team with your loan processor is an invaluable tool in getting loans meticulously and efficiently through the underwriting process.

Federal law requires new mortgage loan originators to complete at least **20 hours** of education approved by the NMLS, including instruction on federal mortgage-related laws, ethics (including fraud, consumer protection, and fair lending), and lending standards for nontraditional mortgage products.

Maintaining Licensure Through Continuing Education



After obtaining licensure, state-licensed MLOs must complete a **minimum of eight hours** of continuing education on an annual basis.

Certain states require between **one and three hours** of state-specific continuing education. The SAFE Act stipulates that a state-licensed MLO cannot take the same approved CE course two years in a row.

OnCourse Learning provides NMLS-approved pre-licensing, continuing education, exam prep and professional development courses in a variety of formats - live, webinar, online and video CE.

These courses are for individuals who are looking to become licensed as a MLO, or who are already licensed and need to satisfy annual continuing education requirements.

Courses for continuing education fulfill the national education requirements and all state-specific requirements.

Ready to **Get Started?**

Visit OnCourseLearning.com/Mortgage
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