

Position Statement – MLO 1.3 – Board Position on Individuals Not Required to be Licensed – Supervisors and Support Staff (revised 09/18/2013) – effective 11/14/2013

The Board of Mortgage Loan Originators (“Board”) issues this position statement to provide clarification to the mortgage industry regarding when supervisors and support staff of mortgage loan originators are not required to be licensed.

Supervision of Licensed Individuals:

Persons who directly or indirectly supervise mortgage loan originators, defined as those individuals who either take residential loan applications or offer or negotiate terms of a residential mortgage loan, are not required to hold a license if their duties are purely administrative in nature. Administrative tasks include, but are not limited to: setting goals and objectives, overseeing production, delegating duties, and evaluating performance, as long as performance of these tasks does not amount to the taking of a residential mortgage loan application or offering or negotiating the terms of a residential mortgage loan.

Support Staff:

Individuals who perform purely clerical and support tasks under the direction and supervision of a state licensed individual do not fall within the definitions of “originate a mortgage” or “mortgage loan originator.” Clerical or support tasks include, but are not limited to:

- a. Communicating with a consumer to obtain the information necessary for the processing or underwriting of a loan, to the extent that such communication does not include offering or negotiating loan rates or terms, or counseling consumers about residential mortgage loan rates or terms; and
- b. The receipt, collection, distribution and analysis of information common for the processing or underwriting of a residential mortgage loan.

However, at any time, if the unlicensed persons activities fall outside of administrative, clerical or support in nature and within the definitions of “originate a mortgage” as defined in section 12-10-702(17), C.R.S., or “mortgage loan originator” as defined in section 12-10-702(14)(a), C.R.S., they are required to be licensed as a Colorado mortgage loan originator.