

Position Statement – MLO 1.9 – Mortgage Company Definition Applicability

The Board of mortgage loan originators views the definition of a mortgage company, pursuant to their interpretation of Colorado law, to exclude the following entities:

1. Persons, other than an individual, who meet all of the following requirements:
 - a. Funds a residential mortgage loan when the residential mortgage loan application was taken by a licensed or exempt person;
 - b. Does not take residential mortgage loan applications or does not offer or negotiate terms of a residential mortgage loan;
 - c. Does not solicit borrowers in Colorado for the purpose of making residential mortgage loans; and
 - d. Does not participate in the offering or negotiation of residential mortgage loans with the borrower, except for setting the terms under which a person may buy or fund a residential mortgage loan originated by a licensed person;
2. Private mortgage insurance companies that provide contract underwriting services to the lending community; or
3. Lead generating companies that do not, through employees or other individuals, take residential mortgage loan applications or offer or negotiate terms of a residential mortgage loan to prospective borrowers.

The types of entities described in this position statement are determined to be excluded from the definition of a mortgage company and, therefore, are not required to register as Mortgage Companies with the Colorado Board of Mortgage Loan Originators.