

South Dakota Adds Mortgage Branch Registration Requirement

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This morning (Wednesday, July 1), the South Dakota Division of Banking posted a [Mortgage Branch Registration](#) requirement to the Nationwide Multistate Licensing System (NMLS). According to the NMLS Description of this application, **registration is required for any branch that, for valuable consideration, originates, sells, or services mortgages, or holds itself out as a person who, for valuable consideration, originates, sells, or services mortgages.** The registration is only available to be applied for by entities that already hold or are applying for a South Dakota Mortgage Lender License, South Dakota Non-Residential Mortgage Lender License, or South Dakota Mortgage Brokerage License.

South Dakota's Mortgage Banking laws require an entity applying for company licensure to submit an application that includes "all addresses at which business is to be conducted." The laws also require payment of additional fees for each company "branch location." Previously, the Division of Banking captured this element of the company application by assessing additional fees upon creation of a new MU3, as well as additional renewal fees for each location. However, a separate branch registration application did not exist until this morning.

Now, licensees and Mortgage Lender/Brokerage license applicants must be aware of the new branch registration requirement, including the requirement that a South Dakota licensed Mortgage Loan Originator be designated as a branch manager within the branch registration application.

Please reach out to one of the authors or any member of McGlinchey's Consumer Financial Services Compliance team for help or questions.

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