The seemingly generic term “loan originator” has become a term of art defined by numerous state and federal laws. A mortgage loan originator (or sometimes “mortgage originator” or “loan originator”) can be a natural person or an artificial entity. Complicating matters, a loan originator may also be a lender, a manufactured home sales person, a loan officer, a mortgage broker, or a brokerage company. The term has many different meanings that depend on the context. It was included in the Dodd-Frank Act mortgage reforms and is specifically defined in the Truth in Lending Act. It is also used, sometimes differently, in the federal Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (S.A.F.E. Act) and state laws. The Truth in Lending Act imposes restrictions on loan originator compensation and requires originators to meet the requirements of the S.A.F.E. Act. The S.A.F.E. Act establishes licensing and registration requirements for loan originators. In short, whenever a practitioner comes across any variation of the term “loan originator,” it is important to look for a definition.

Footnotes

347 See Appx. A [1], infra (listing state statutes defining loan originator).


351 See § 3.3 [3], infra (discussing S.A.F.E. Act requirements).

352 See Appx. A [1], infra (listing state mortgage loan originator laws).

353 See § 7.3 [4], infra (describing mortgage broker compensation).

354 Regulation Z, 12 C.F.R. § 1026.36(f).

355 See § 3.3 [3], infra (discussing S.A.F.E. Act requirements).
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