
USING THE SERVICES OF A MORTGAGE BROKER

A mortgage broker helps you obtain a home loan. A mortgage broker may be licensed by either the California Department of Business Oversight or the California Department of Real Estate (DRE). Mortgage brokers make or arrange first mortgages and junior (second) mortgages. A junior mortgage secures a loan that is secondary or junior to one or more other loans on the property. Some home loans arranged through brokers are very similar to a home loan you might obtain independently from a bank, savings and loan association (S&L), credit union, finance company, or other type of lender. Some brokers offer shorter loan terms and/or different repayment plans.

Prior to using the services of a mortgage broker, ensure that he or she is properly licensed by checking with the California Department of Business Oversight at www.dbo.ca.gov or (866) 275-2677 and/or the DRE at www.dre.ca.gov or (877) 373-4542, in addition to the National Mortgage Licensing System and Registry (NMLS) at www.nmlsconsumeraccess.org. There is also a one-stop resource for California real estate and financial services license information, laws, and regulations at www.dre.ca.gov. It is important that you work with a properly licensed broker, as licensed brokers are generally covered by bonds or recovery accounts.

You may wish to check with the Better Business Bureau at www.bbb.org to find out if the company is a member and if any complaints have been filed against the company.

It may also be worthwhile to do an Internet search to determine if the community at large has had a positive experience with the company.

