CHAPTER 53

ARTICLE 19B - THE SECURE AND FAIR ENFORCEMENT MORTGAGE LICENSING ACT

N.C.G.S. § 53-244.109.

Mortgage broker and mortgage lender duties.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 05:12 UTC	f87095f41f4ee9c79f1cb26f - 54446c95bf62c42edcfc10db - 0106d0a59804e11b

Any mortgage broker or mortgage lender engaged in the mortgage business as defined by G.S. 53-244.030(11)a. or b., in addition to duties imposed by other statutes or at common law, shall do all of the following:

Safeguard and account for any money handled for the borrower.

Follow reasonable and lawful instructions from the borrower.

Act with reasonable skill, care, and diligence.

Make reasonable efforts to secure a loan that is reasonably advantageous to the borrower considering all the circumstances, including the rates, charges, and repayment terms of the loan.

When initial disclosures are made under RESPA, a mortgage broker shall clearly disclose to the borrower material information that may be expected to influence the borrower's decision and is reasonably accessible to the mortgage broker. This information includes the total compensation the mortgage broker expects to receive from any and all sources in connection with each loan option presented to the borrower that are reasonably known at that time. This subdivision applies to mortgage brokers only.

Notify before closing each lender of the particulars of each of the other lender's loans if the mortgage broker or mortgage lender knows that more than one mortgage loan will be made by different lenders contemporaneously to a borrower.

Ensure that any services offered to any applicant shall be available and offered to all similarly situated applicants on an equal basis.

Use reasonable means to provide the borrower with prompt credit decisions on the borrower's residential mortgage loan application and, where the credit is denied, to comply fully with the notification requirements of applicable State and federal law.

Ensure that advertising materials are designed to make customers and potential customers aware that the mortgage broker or mortgage lender does not discriminate on any prohibited basis.

Represent the borrower's best interest in the course of brokering a residential mortgage loan.

In the course of brokering a residential mortgage loan, have a duty of loyalty to the borrower that includes a duty not to compromise a borrower's right or interest in favor of another's right or interest, including a right or interest of the mortgage broker or mortgage lender. (2009-374, s. 2; 2025-43, s. 1.)

END OF SECTION TEXT APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 53-244.030(11)		*"the mortgage business as defined by"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 53-244.109 (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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