Double Duty: The Rise of the Dual-Licensed Agent

Explore why brokerages are embracing dual-licensed real estate agents and MLOs, plus the revenue, client service, training, and compliance considerations.

WRITTEN BY

MICHAEL READ

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Why dual licensing is becoming the next competitive advantage for real estate brokerages

Residential real estate is in the middle of one of its biggest shake-ups in decades. Since the NAR settlement changes took effect in August 2024, buyer representation agreements have become mandatory, buyer-agent compensation gets negotiated deal by deal instead of being advertised on the multiple listing system(MLS), and agents are under more pressure than ever to show their value before a client even makes an offer.

That leaves brokerages with a choice. Firms that stick with the traditional commission model risk competing on price alone, while firms that broaden what they offer have room to stand apart. One approach that's picking up steam: pushing agents to get licensed as mortgage loan originators (MLOs) in addition to their real estate license.

Dual licensing isn't a new idea. Agents have been permitted to originate conventional and VA loans for years, and FHA guidance issued in December 2022 clarified that certain dual-role arrangements are permitted under specific conditions. What was once considered a niche career path is now becoming a more frequent topic of discussion as brokerages look for new ways to add value and diversify revenue.

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An industry that's asking more of its agents

Buyers are asking harder questions about what their agent actually brings to the table. Affordability is still squeezing many of them, inventory is tight in a lot of markets, and financing has only gotten more complicated. What buyers want isn't just someone to unlock doors; it's someone who can walk them through the whole process, financing included.

The numbers back that up. NAR's newly released 2025 Profile of Home Buyers and Sellers found that 88 percent of buyers used an agent or broker, even as first-time buyers dropped to just 21% of the market — the lowest share NAR has recorded since it started tracking the data in 1981. Financing is central to nearly every deal: 92% of first-time buyers took out a mortgage, and so did seven in ten repeat buyers. About three in four first-time buyers said their agent helped them understand the buying process in the first place.

First-time buyers are also older and more stretched financially than in past years. Put those two facts together, and it's clear why solid financing guidance has become such a differentiator: buyers need it more, and fewer of them are walking in with easy answers.

Fewer handoffs, fewer breakdowns

A home purchase runs through a lot of hands: an agent, lender, title company, appraiser, inspector — and each handoff is a place where things can go sideways.

When one person is handling both the real estate side and the mortgage side, a lot of that friction disappears. The client has one number to call, and that person understands both the contract and the loan. Questions get answered faster, expectations are easier to manage, and problems tend to surface before they become emergencies.

It's not just about convenience for the client. For the brokerage, it usually shows up as higher satisfaction scores, fewer deals that stall for avoidable reasons, and a better overall experience to point to.

Why brokerages are paying attention

The biggest players in the industry have already bet on integration. In September 2025, Compass and Anywhere Real Estate, parent company of Coldwell Banker, Century 21, ERA, and Sotheby's International Realty, announced an all-stock merger valued at roughly $10 billion, pairing Compass's technology with Anywhere's title, settlement, and mortgage joint ventures.

This isn't only about opening new revenue lines. It's about keeping the customer relationship intact from first showing to closing day and beyond. Instead of treating each purchase as a one-off, the brokerages leaning into this are building relationships meant to last the life of the homeowner.

Smaller, boutique firms won't match that scale, but they can borrow the underlying idea. Agents who understand more than one piece of the transaction give a brokerage something to compete on besides commission splits.

The real payoff comes after closing

The bigger opportunity here isn't the first transaction, it's everything after it. A real estate deal typically ends the day it closes. A mortgage relationship doesn't. Homeowners come back for refinances, investment property loans, home equity lines, and eventually another purchase when they move up or downsize.

An agent who's also licensed to originate has a reason to stay in touch through all of that. A refinance call can turn into a future listing. A loan on an investment property can lead to another purchase down the road. And a client who has a good experience on the lending side is one more person likely to send a referral your way.

That ongoing contact builds loyalty in a way a single closing never will, and it takes some of the pressure off constantly chasing new leads. There's a compensation upside too; originating loans gives agents a second income stream that isn't tied to the ups and downs of listing inventory, which is worth brokerages factoring into how they think about agent retention.

Better financing knowledge makes for better advisors

Even when a buyer ends up financing through someone else, an agent who understands how mortgages work is simply more useful to have in the room. Knowing how debt-to-income ratios work, how underwriters think, what trips up an appraisal, and what a financing contingency protects lets an agent catch problems early instead of finding out at the eleventh hour.

That knowledge doesn't replace the real estate side of the job; it sharpens it. Agents who understand financing can prep buyers more realistically, talk shop more credibly with the other side's agent, and put together offers that are less likely to fall apart.

What it takes to get there

Becoming a licensed MLO isn't a weekend project. Under the federal SAFE Mortgage Licensing Act, anyone originating residential mortgages must be licensed through the Nationwide Multistate Licensing System, which typically includes:

- Prelicensing coursework
- A background check and fingerprinting
- Passing the SAFE MLO exam
- Finding a sponsoring mortgage company or lender (requirement varies depending on states)
- Annual continuing education

Most states allow dual licensing, but company policy varies quite a bit. Some mortgage companies require an agent's real estate license to go inactive while they're originating, and not every lender wants to sponsor someone holding both licenses. Many new originators lean on a mentor early on just to learn the operational side of lending; it's a different muscle than showing houses.

Brokerages weighing this should think of the education piece as an investment, not a hurdle to clear. The point isn't to turn agents into loan factories. It's to build professionals who understand housing finance well enough to guide a client through it, whether they end up originating that client's loan.

Where it can go wrong

None of this works without real attention to compliance. RESPA Section 8 bars kickbacks tied to referrals for settlement services, so any in-house mortgage or title affiliate must be structured and disclosed the right way, including:

- Clear affiliated-business disclosures
- Ownership interest
- Estimated charges
- An explicit statement that the client is free to shop elsewhere

Regulators haven't backed off here. The CFPB continues to scrutinize settlement service relationships, and state regulators have brought their own enforcement actions against arrangements that cross the line from legitimate revenue-sharing into disguised referral fees. Brokerages need compliance procedures in place before agents start originating, not after.

Brokerages should also consider the operational risks, including:

- Existing referral relationships with outside lenders becoming more complicated
- Greater personal responsibility when one person is handling both sides of the transaction
- Financing delays or underwriting issues falling directly on the dual-licensed agent

None of this is a reason to avoid the model. It's a reason to build it carefully, with experienced mortgage professionals involved, real internal training, and a culture where transparency with the client isn't optional.

Where this is headed

Brokerages are being asked to do more than facilitate a transaction. Buyers want someone who can help them make sense of a genuinely complicated financial decision, and as more of the administrative side of the business gets automated, that kind of judgment is becoming the thing that sets an agent apart.

Encouraging agents to get an MLO license isn't about pushing out mortgage professionals or squeezing more commission out of every deal. It's about giving agents a deeper toolkit and giving clients a more complete experience, one person who can speak to both sides of the transaction with real authority.

There's no single playbook here. State rules, company policy, and business strategy all vary, and some firms won't allow dual licensing at all. Any brokerage considering it needs to look closely at its own compliance obligations and business goals before moving forward.

But the direction is hard to miss. As buyers ask for more and brokerages look for new ways to earn their business, the line between real estate and mortgage services keeps getting thinner. For firms willing to put in the work on training and compliance, dual licensing isn't just another revenue line; it's a bet on how real estate professionals will need to operate to stay competitive.

MICHAEL READ

Principal, Bridgeway Mortgage & Bridgeway Real Estate Services — Morristown, NJ
Michael Read is the Principal at Bridgeway Mortgage and Bridgeway Real Estate Services, located in Morristown, NJ. He is also a licensed real estate and mortgage instructor. Michael has owned and operated Bridgeway Mortgage since 2012, and Bridgeway Real Estate Services since 2019. Prior to founding Bridgeway, he worked in retail mortgage lending as a loan originator and sales manager. It's this hands-on experience that led him to pursue dual licensing in both real estate and mortgage, a model he believes offers clients a better way to do business. He can be reached at mread@bridgewaynj.com

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