



CHICAGO COMMERCIAL CENTER

IMPORTANT PREDATORY LENDING INFORMATION

To Our Valued Customers:

Effective July 1, 2008, the Anti Predatory Lending Database Program Act (Public Act 95-0691) will resume. The latest version of the Act was passed into law under SB1167 (formerly created by HB4050).

On that date, the Illinois Department of Financial and Professional Regulation (IDFPR) resumes its anti predatory lending database program with some significant changes.

1. The Act now covers **all property in Cook County, Illinois. EVERY MORTGAGE RECORDED IN COOK COUNTY ON OR AFTER JULY 1, 2008, MUST HAVE EITHER A CERTIFICATE OF COMPLIANCE OR A CERTIFICATE OF EXEMPTION ATTACHED IN ORDER TO BE ACCEPTED FOR RECORDING.**
2. Counseling will be required on Residential properties if
 - A. The transaction is (1) a purchase transaction in which **ALL** borrowers are first time homebuyers **OR**; (2) a refinancing of a primary residence **AND**
 - B. The loan is a mortgage that includes one or more of the following:
 - i. The loan permits interest-only payments
 - ii. The loan may result in negative amortization
 - iii. The total points and fees payable by the borrower(s) at or before closing will exceed 5%
 - iv. The loan includes a prepayment penalty
 - v. The Loan is an adjustable rate mortgage which allows adjustments of the interest rate in the first three years.

One standard from group "A" above and at least one standard from group "B" above must be present or credit counseling will not be required

Lenders, Mortgage Bankers, Mortgage Counselors and Title Companies involved in the process are required to enter specific loan and borrower data to the database under penalty of law.

In order to make any input to the system for a Certificate of Compliance, the originator (usually a mortgage broker and not the funding lender) must have input data at the time of the loan application. If the database determined the borrower(s) need counseling, that phase must have been finished before the database will accept a contact for closing.

Chicago Title will charge a \$100.00 ANTI-PREDATORY LENDING DATABASE CERTIFICATE SERVICE FEE for issuance of the Certificate of Compliance and the Certificate of Exemption.

Additionally please be aware that any Lis Pendens Notice (notice of foreclosure) which is submitted for recording on or after July 1, 2008 for a foreclosure action on a mortgage of residential (1 to 4 dwelling units) property in Cook County, Illinois must also comply with the Act.

CHICAGO TITLE INSURANCE COMPANY

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For more information about the Act please visit the State's website at www.ilapld.com

If you have any questions please feel free to contact us.

Sincerely,

Christopher Reyes
Vice President – Title Manager

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