



# NEWS RELEASE

from the  
ILLINOIS OFFICE OF  
BANKS AND REAL ESTATE

ROD R. BLAGOJEVICH  
Governor

—  
D. LORENZO PADRON  
Commissioner

**FOR IMMEDIATE RELEASE**  
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Clare Thorpe  
Phone: (217) 785-2903  
Email: [cthorge@bre.state.il.us](mailto:cthorge@bre.state.il.us)

## **State Law To Regulate Mortgage Lending to Take Effect on July 1, 2004**

SPRINGFIELD, IL – Illinois home buyers will have greater protection in obtaining mortgage loans thanks to legislation signed by Governor Blagojevich which requires loan originators, operating in the State to be registered with the Illinois Office of Banks and Real Estate (OBRE).

The High Risk Home Loan Act becomes effective on July 1, 2004. “This Act contains the required components to allow OBRE to accomplish its dual mission of protecting the interest of the citizens of the State and the image of the mortgage industry. The implementation of the Act will bring discipline to the industry through licensing, education, and enforcement and will help OBRE in its efforts to eradicate predatory lending practices in Illinois,” said D. Lorenzo Padrón, Commissioner.

Starting today, loan originators must access OBRE’s Web site, [www.obre.state.il.us](http://www.obre.state.il.us), to obtain a provisional registration, which will last through December 31, 2004. By January 1, 2005, loan originators will be required to pass a written test and will be subjected to a criminal and a credit background check. Applicants currently employed by an Illinois residential mortgage licensee for two of the past three years will be allowed until June 30, 2005 to take the test. In addition, loan originators are required to meet annual continuing education requirements.

Loan originators will also be required to carry a pocket card issued by OBRE to provide proper identification to consumers and law enforcement officials; OBRE will create a web site roster of all registered loan originators authorized to do business in Illinois.

For additional information, please call the Mortgage Banking Licensing Division at (312) 793-1409.

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