



Illinois Department of Financial and Professional Regulation

Division of Banking

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IMPORTANT NOTICE FOR ALL USERS OF THE STATE OF ILLINOIS ANTI-PREDATORY LENDING DATABASE (APLD):

1. No Cook County closing should commence until the file status is CA-Ready, unless the transaction is exempt. CA-Ready status indicates that all requirements of the APLD, including counseling, if necessary, have been fulfilled, and the file may be accessed by the closing agent.

Under no circumstances, in the case of a refinance, should a borrower attend counseling after closing, during the rescission period. An obviously greater problem arises if the transaction is a purchase and it is determined on the day of closing that counseling is required. If this occurs, the loan cannot be funded until the counseling is completed. The clear intent of the statute is that, when required, the borrower is entitled to counseling before the closing takes place and before any loan documents are executed.

The rule is simple to state and administer. In order to close, the file must either be CA-Ready status or an exempt transaction.

2. In order to prevent needless re-entry of loan information, it is strongly recommended that closing agents refrain from submitting or printing Certificates of Compliance before the closing has been completed and all details of the loan are final. In addition, the closing agent should check the data carefully before submitting and printing, which locks the file. Errors discovered after submitting and printing can be corrected only by re-entry of data by the broker/originator and then by the closing agent.

3. The law requires that the loan data be entered into the APLD by the broker/originator within ten days of the application date. Do not wait for a decision by the underwriter to enter data. All applicable loans must be entered into the database regardless of their disposition - whether they are approved, denied, withdrawn, etc. Once an application is taken, the data must be entered.

4. A 3-Year ARM is considered a counseling trigger under the APLD. The answer to the question "Does the interest rate adjust within 3 years?" is YES.

5. Housing counselors should be prepared to answer questions from borrowers about their security procedures for protection of personal information and social security numbers.