Anti-Predatory Lending Database
Semi-Annual Report
October 31, 2008

Governor Rod R. Blagojevich
Secretary Dean Martinez
Department of Financial and Professional Regulation
Anti Predatory Lending Database (APLD) Introduction

• Successful launch of Anti Predatory Lending Database (APLD) on July 1, 2008 for Cook County, Illinois.

• Even though interest only loans, negative amortization loans, loans with points and fees over 5%, prepayment penalties, and adjustable rate loans are being offered in the market, only 2.4% of all loans entered into the APLD have required counseling in their final form. This indicates that, since the inception of the APLD, loan originators have been reluctant to utilize these types of products, resulting in better loans for Illinois consumers.

• Real time monitoring now available to review trends and assist families in need.

• Tracking and reporting on-demand for trends and foreclosure reviews.

• Integration with state licensing database has proven successful for timely license renewals, data clean-up and accuracy, and enforcement of suspensions. The database has also proven useful in discovering unlicensed activity, unregistered loan originators, unreported branch offices, and unreported changes of location concerning Illinois mortgage licensees.

• 72 loans have failed to close after the borrowers attended counseling. 62 of these have not been accessed by a closing agent. It could be assumed that, in at least some cases, the borrower did not close the loan because of the advice provided by the counselor or increased awareness on the part of the borrower.

• There is no evidence whatsoever that the APLD is in any way impeding the business of mortgage lending in Cook County. Applications continue to be taken and loans continue to close.

* Data provided by Veritec Solutions, LLC
17,119 loans registered with the APLD

236 borrowers received (completed) counseling
- 164 borrowers receiving counseling have closed on the loan (69%)

7,584 loans have been closed in the APLD

Number of loans requiring counseling for each of the standards:
- Interest Only Loans: 187
- Negative Amortization Loans: 21
- Points and Fees Exceeding 5%: 16
- Prepayment Penalty: 229
- Adjustable Rate Loans: 52

1,352 loans where a mortgage originator required counseling and then changed the loan terms to avoid counseling

39,962 loans have been closed with an exempt status from the APLD

Notes: Data from 7/1/08 through 10/15/08
**Product offerings for consumers requiring counseling (first-time homebuyer or refinancing) since program inception (July 1, 2008).**

- **Adjustable Rate:** 10%
- **Interest Only:** 37%
- **Prepayment Penalty:** 46%
- **Negative Amortization:** 4%
- **Points and Fees:** 3%

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans Requiring Counseling*</td>
<td>416</td>
</tr>
<tr>
<td>First Time Homebuyers</td>
<td>68</td>
</tr>
<tr>
<td>Refinancing</td>
<td>354</td>
</tr>
<tr>
<td>Loans requiring counseling and product offering changed to remove counseling requirement</td>
<td>1352</td>
</tr>
<tr>
<td>Closed loans in APLD</td>
<td>7584</td>
</tr>
</tbody>
</table>

**Notes:**

- Data is from 7/01/08 – 10/15/08
- Loans requiring counseling but may not yet have completed counseling or chose not to move forward.
APLD Loan Summary

Breakout of borrowers between First Time Homebuyer and Refinancing required to attend counseling.

22 days (average) for loan to be completed with counseling requirement
14 days (average) for loan to be completed without counseling

Notes: Total of borrowers for First Time Homebuyer and Refinancing does not equal 416 due to input error where a few inputs selected both FTB and refinancing as option.
APLD Exemption Reasons

Certificates of Exemption printed from the APLD by Exemption Reason