**Section 345.120 Mortgage Awareness Program**

a) The Mortgage Awareness Program is a counseling and educational component that is provided by the Department.

b) The core curriculum of the Mortgage Awareness Program shall include:

1) Explanation of the amount financed;

2) Explanation of the finance charge;

3) Explanation of the annual percentage rate;

4) Explanation of the total payments;

5) Explanation of the loan costs, including broker's fees, finance charges, points, origination fees;

6) Explanation of the right of recission;

7) Explanation of foreclosure procedures;

8) Explanation of the significant debt ratios, including total debt to income, loan debt to income, and loan debt to value of residence;

9) Explanation of adjustable rate mortgage;

10) Explanation of balloon payments;

11) Explanation of credit options;

12) Explanation of each item that appears on a good faith estimate;

13) Explanation of pre-payment penalties.

c) Counseling session attendees must also complete a personal income and expense statement, as well as a balance sheet, on forms provided by the Secretary.

d) Prior to signing a certificate of completion, counselors shall privately discuss with each attendee that attendee's income and expense statement and balance sheet, as well as the terms of any loan the attendee currently has or may be contemplating and provide a Third Party Review to establish the affordability of the loan.

e) Counseling session attendees must also be given a brochure that contains information covered by the Mortgage Awareness Program.

f) Any lender, prior to making a high risk home loan, shall inform the borrower in writing of the right to participate in the Mortgage Awareness Program.

g) No lender shall offer less favorable loan terms to a borrower due to a borrower's participation in a Mortgage Awareness Program.

h) Except as prohibited elsewhere in this Part, the borrower may waive participation in the program, provided that the waiver occurs no less than 2 business days after the day that the borrower receives the written notice required by subsection (f) and that the waiver is in writing in a form approved by the Secretary.

(Source: Amended at 35 Ill. Reg. 14946, effective September 9, 2011)