**Section 1000.3450 Negative Amortization**

No lender shall make a high risk home loan, other than a loan secured only by a reverse mortgage, with terms under which the outstanding balance will increase at any time over the course of the loan because the regular periodic payments do not cover the full amount of the interest due, unless the negative amortization is the consequence of a temporary forbearance sought by the borrower.

(Source: Added at 25 Ill. Reg. 6152, effective May 17, 2001)