

October 2, 2015

Dear Participating Lenders,

As a follow-up to our September 25, 2015 notice, we wanted to clarify our position on disclosure requirements for the current down payment assistance programs being operated by the Illinois Housing Development Authority ("IHDA") as related to the new TILA/RESPA Integrated Disclosure (TRID) rule. As you are aware, the new rules begin for applications taken on or after October 3rd, 2015. As such, please note the following:

- All loans and required disclosures will be completed in the name of the originating lender (Please refer to section 12CFR§1026.19 of the Regs.)
- @Home Illinois is subject to TRID and should be disclosed using the Loan Estimate (LE) and the Closing Disclosure (CD).
- All IHDA loans using forgivable 2nd (1st Home Illinois) will require current TILA disclosures (including the initial TIL and final TIL disclosures) so long as the borrower is only charged (i) recordation fees; (ii) a reasonable application fee and (iii) a reasonable fee for housing counseling services and the sum of all of these fees is less than 1% of the principal amount of the 2nd mortgage. If the borrower is charged more than 1% of the principal amount of the 2nd mortgage for these fees, or is charged any other fee (regardless of the amount), current RESPA disclosures (including a GFE and HUD-1) will be required. In either instance, the lender will make the applicable disclosures in the lender's name.

IHDA does NOT require or request title insurance for the second mortgage, and therefore there should not be any title fees outside of the recording fee for any of our second mortgage products at this time.

All down-payment and closing cost loans must be disclosed under the applicable laws using the delivery timelines noted in TILA/RESPA. Consult with your compliance and legal staff to ensure regulatory compliance.

In the event of any conflict between this notice and our notice of September 25, 2015, the October 2, 2015 notice shall control. Please contact me with any questions.

Thank you.



Tara Pavlik
Managing Director, Homeownership Programs
Illinois Housing Development Authority