Effective BEGINNING January 1, 2026

PRIVATE LENDING EXEMPTION CERTIFICATE (PLEC) PROGRAM

The Residential Mortgage Licensing Act of 1987 (RMLA), found at 205 ILCS 635/1-1 *et seq*., defines a private lender under Section 1-4(d)(1.8) as:

> *Any person or entity that does not originate mortgage loans in the ordinary course of business, but makes or acquires residential mortgage loans with his or her own funds for his or her or its own investment without intent to make, acquire, or resell more than 3 residential mortgage loans in any one calendar year.*

RMLA defines a residential mortgage loan as "*any loan primarily for personal, family, or household use that is secured by a mortgage, deed of trust, or other equivalent consensual security interest on a dwelling…*" 205 ILCS 635/1-4(f).

The Department only issues PLECs to lenders meeting the definition of a private lender. The Department will *not* issue a PLEC for commercial, investment or non-owner-occupied property. For these types of transactions, please contact a closing agent or title company registered with the Anti-Predatory Lending Database to obtain the appropriate certificate.

A PLEC must be attached to all private lender mortgages originated in Cook County, Kane County, Will County, and Peoria County for recording by the Recorder of Deeds.

To request a PLEC, please forward the executed mortgage (all pages) to: FPR.PLEC@ILLINOIS.GOV. Please include your contact information (e-mail, telephone/fax).

In the body of the e-mail, please indicate the following:

- Is this property **<u>residential</u>**? (Y/N)

- Is this property **<u>owner-occupied</u>**? (Y/N)

- Is this loan interest-bearing? (Y/N)

    - If <u>not interest bearing</u>, the promissory note associated with this request must also be submitted for verification purposes.

- Does this lender "originate mortgage loans in the ordinary course of business?" (Y/N)

- How many mortgage loans has this lender made in Illinois during this calendar year?

All PLEC requests must contain the following information in the mortgage documents:

- Name of mortgagor and mortgagee
- PIN (property identification number)
- Complete property address
- Loan amount
- Notary stamp
- Notary signature
- Borrower(s) signature

Responses to PLEC requests are generally provided within 3-5 business days.