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NEWSLETTER

Money rates for end of month January, 2002 as reported in the Wall Street Journal

Prime	4.75%
6 month Libor	2.03375%

Federal Reserve Statistical release H.15 for January 15, 2002 (For Section 32 purpose)

	Treasury Securities
5 Yr.	4.14%
10 Yr.	4.88%
15 Yr.	4.88%
30 yr.	5.34%

FOR SOME COMPANIES – E-MAIL DELIVERY OF LOAN DOCUMENTS IS A BIG DEAL: FOR ICC IT IS BUSINESS AS USUAL!

We are starting to see quite a few press releases announcing that this or that company now can deliver documents via e-mail or make them available over the web. With ICC this is old news. Starting with our first ZipPrint product, which was a document delivery method based on a secure and dedicated server, we have offered documents in both the Hewlett-Packard Printer Format (known as PCL) and the Adobe Acrobat Format (known as PDF). We can e-mail documents in both formats to any legitimate e-mail address. Of course, we also allow the pickup of documents, in the PDF format for printer-independence at our web site. Also allowing the user to setup their own passwords for documents that allow a third-party such as a settlement service or correspondent to pickup the documents after they have been reviewed by management.

WAITING FOR RESPA RE-WRITE OR REFORM.

Mel Martinez, head of HUD, has promised, within the next few months, to complete a review of RESPA with regards to simplification and the addition of appropriate disclosures to keep the playing field level for the borrower.

In addition HUD/FHA/VA will be reviewing their document requirements with respect to the Uniform Instruments offered by Fannie and Freddie. PER MORTGAGEE LETTER 2002-03 dated January 16, 2002... until then, the rule remains:

“... where other specific state laws require that adaptations be made to the 1990 Fannie Mae non-uniform covenants in order to comply with state law, lenders shall make all such required amendments to comply with state law and to ensure the enforceability of the mortgage instrument.

Lenders are reminded that, as set forth in HUD Handbook 4165. 1, REV- 1, CHG-3, Appendix III, page 10, all of the uniform covenants in the FHA Model Mortgage form must be used without change. If changes to the uniform covenants are needed to meet the requirements of state or local law or practice, written approval from HUD is needed before the change is made.”

LAWYERS & LAWMAKERS TRY TO RESTRICT MORTGAGE MARKET

Acting in concert, certain lawyers and lawmakers (usually one in the same) are attempting to extort an additional share of the mortgage transaction out of the borrower by demanding that a lawyer be present at the closing or that they certify that they have reviewed the document set. Whenever and wherever possible, you should point out that this is a conflict of interest. The lawyers lobby the state to set rules and regulations, the lawyers then prepare the documents in compliance with the rules and regulations **and now**: they want to witness the fact that you are using their approved forms and watch your borrower sign their forms. I say: **ENOUGH IS ENOUGH**. Let the lawyers provide the rules and the documents, but keep from complicating the mortgage process at the settlement table. It's bad enough when we pay

over and over for the same compliant documents, but to charge an additional fee to the borrower to have a lawyer review the documents and witness the signing is too much! Is it any wonder that certain greedy lawyers also own mortgage document preparation companies???

Watching out for recorder form and format penalties...

OREGON RECORDER PENALIZES DOCUMENTS WHICH DO NOT CONTAIN MERS RECORDING INFORMATION ON THE FIRST PAGE.

Oregon's Deschutes County recorder's office is following the trend of demanding that all significant transactional information appear on the first page or adopting the cover sheet approach to recording critical information that will ultimately be used for indexing documents.

In the case of the Deschutes County recorder's office, they are charging a \$20 non-standard recording fee if MERS information does not appear on the first page of the security instrument.

FTC PROPOSING "DO NOT CALL LIST"

Mortgage firms that use telemarketing call centers may be severely impacted as the FTC is contemplating establishing a nationwide "do not call" database. Coupled with the rise in unlisted numbers, this move may force mortgage companies to further impose on the Gramm-Leach-Bliley privacy act and seek active affiliations with others in order to continue an active telemarketing campaign. Traditional advertisers seem to be overjoyed with this proposed situation as it forces money back into conventional advertising. If nothing else, this will force a new rise in internet mortgage advertisements.

CONGRESS IS BACK... NO VALENTINES EXPECTED FOR FEBRUARY...

With the lawmakers focusing on committee hearings involving the stimulus package, the USA Patriot Act, the ENRON fiasco and a number of other newsworthy issues... some mortgage regulations may be delayed. Does this mean that Paul Sarbanes, Senate Banking Committee Chairman, will delay his YSP/TIL/NO-UPFRONT FEE disclosure until after he investigates accounting procedures and retirement funds?

PREDATORY LENDING RULE

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Along with expanding the number of loans it scrutinizes for predatory lending, the rule lowers the annual percentage rate on first-lien mortgages that are covered by HOEPA to eight percentage points above the rate for Treasury securities. The past test value was 10 points. The rule also expands the rule's points-and-fees test to include the cost of single-premium credit life insurance. Compliance is mandatory Oct. 1, 2002.

COMMENTS ON REG-Z COMMENTARY DUE FEBRUARY 1, 2002

A proposal by FED to amend the staff commentary on Regulation Z to clarify how lenders can comply with Truth-in-Lending disclosure requirements when negotiating credit contracts was published December 13th with comments due Feb. 1.

WHY DOESN'T ICC SPEND MORE MONEY FOR ADVERTISING AND TRADE SHOWS?

A number of people have asked me why ICC doesn't have a bigger advertising presence or spend money at trade shows. I simply tell them that my lower prices are reflective of the fact that I did not have to spend the money on sales and advertising. You see, at ICC, we do everything in our power to meet your needs rather than prospecting for new clients. As a result, we can fulfill our pledge of "providing the documents you want, when you want them, where you want them and at a price you can afford!"

IN RETURN, WE NEED YOUR HELP...

I rely on satisfied clients to help pass the word... mostly to fellow brokers and correspondents. We are most appreciative of the recommendations that we get and we will honor your recommendation by providing the same quality service to your recommendation as we provide to you. Thank you once again for all of your past help.

At ICC, we appreciate and value your business. Feel free to call us toll-free at (888) 437-3627 or e-mail me at mike@iccdocs.com with your suggestions -Mike