IHDA Mortgage Operations

All items subject to change. Visit ihdamortgage.org for current information.
About IHDA

IHDA was created by state legislation in 1967. At IHDA, we connect people with financing programs for their homes.

Our mission: To finance the creation and preservation of affordable housing in Illinois.

Today with your help, we assist 10% of all first-time homebuyers across the state purchase their first home.

We work with over 130 lenders statewide.
Benefits of an IHDA Mortgage

Down Payment Assistance
- Up to $10,000 available

All Loan Types Accepted
- FHA
- VA
- USDA
- FNMA & FHLMC

Increase Purchase Accessibility
- Helps low to moderate income households become homeowners

Flexibility
- Available to first and non-first time homebuyers
Down Payment Assistance
Available Programs
## IHDA Access Matrix - May 2021

### Purpose

<table>
<thead>
<tr>
<th>IHDA Access Forgivable</th>
<th>IHDA Access Deferred</th>
<th>IHDA Access Repayable</th>
<th>IHDA Access</th>
<th>OPENING DOORS Alboroto Fuentes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1st Mortgage Term</strong></td>
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<td><strong>1st Mortgage Term</strong></td>
<td><strong>1st Mortgage Term</strong></td>
</tr>
<tr>
<td>Purchase</td>
<td>Purchase</td>
<td>Purchase</td>
<td>Purchase</td>
<td>Purchase</td>
</tr>
<tr>
<td>30-Year Fixed Only</td>
<td>30-Year Fixed Only</td>
<td>30-Year Fixed Only</td>
<td>30-Year Fixed Only</td>
<td>30-Year Fixed Only</td>
</tr>
</tbody>
</table>

### Form of Assistance

- **IHDA Access Forgivable:** 10-Year Forgivable 2nd Mortgage
- **IHDA Access Deferred:** 30-Year Deferred 2nd Mortgage
- **IHDA Access Repayable:** 10-Year Repayable (Monthly) 2nd Mortgage
- **IHDA Access:** 5-Year Forgivable 2nd Mortgage

### Assistance Amount

- **IHDA Access Forgivable:** 4% of purchase price up to $6,000
- **IHDA Access Deferred:** 5% of purchase price up to $7,500
- **IHDA Access Repayable:** 10% of purchase price up to $10,000
- **IHDA Access:** $6,000

### Key Assistance Terms

- **Forgiveness:**
  - IHDA Access Forgivable: forgiven monthly over 10 years
  - IHDA Access Deferred: forgiven monthly over 5 years
  - IHDA Access Repayable: repaid monthly over 10 years with 0% interest
  - IHDA Access: forgiven monthly over 5 years

### Min. Borrower Contribution

- **Greater of:** $1,000 or 1% of purchase price

### Minimum Credit Score

- **450.00**

### Maximum DTI

- **IHDA 1st Mortgage Loan Type**
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage

### IHDA 1st Mortgage Loan Type

- **Max LTV:**
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage

### Key Borrower Eligibility

- **1st Mortgage Max Allowable Fees:**
  - 2nd Mortgage Max Allowable Fees

### Funds allowed to leave table

- **Property type:**
  - FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage

### Housing Counseling

- **Required Prior to Close:**
  - Borrower Paid MI (Monthly, Single, or Split Premium)
  - Post Close

### IHDA Approval

- **Openings Doors Alboroto Fuentes:**
  - Purchase
  - 30-Year Fixed Only
  - Purchase
  - 30-Year Fixed Only
  - Repayment
  - 30-Year Fixed Only

### Program CLOSED for new looks as of 05/21/2021

- **SMARTMART:**
  - Purchase
  - 30-Year Fixed Only
  - Debt Relief:
    - 3-Year Promissory Note
    - DPA: 10-Year Deferred 2nd Mortgage
    - $5,000 toward DPA

### Additional Information

- **IHDA Access Guidelines:**
  - IHDA Access Forgivable: 10-Year Forgivable 2nd Mortgage
  - IHDA Access Deferred: 30-Year Deferred 2nd Mortgage
  - IHDA Access Repayable: 10-Year Repayable (Monthly) 2nd Mortgage
  - IHDA Access: 5-Year Forgivable 2nd Mortgage
  - IHDA Access Guidelines:
    - IHDA Access Forgivable: 10-Year Forgivable 2nd Mortgage
    - IHDA Access Deferred: 30-Year Deferred 2nd Mortgage
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    - IHDA Access: 5-Year Forgivable 2nd Mortgage

### Notes

- **1.** Minimum and Average housing: a targeted area and area are defined by the locations of housing requirements.
- **2.** Maximum loan amount is based on the maximum loan amount for the targeted area.
- **3.** FHA/VA/USDA/FNMA HFA Preferred / PHMC HFA Advantage: 10-Year Forgivable 2nd Mortgage
- **4.** IHDA Access Guidelines: IHDA Access Forgivable: 10-Year Forgivable 2nd Mortgage
- **5.** IHDA Access Guidelines: IHDA Access Deferred: 30-Year Deferred 2nd Mortgage
- **6.** IHDA Access Guidelines: IHDA Access Repayable: 10-Year Repayable (Monthly) 2nd Mortgage
- **7.** IHDA Access Guidelines: IHDA Access: 5-Year Forgivable 2nd Mortgage
IHDAAccess
Forgivable

4% up to $6,000

Assistance Amount:
• 4% of the Purchase Price, Up to $6,000 Max

Term: 10 Years Forgivable

Repayment:
• No Monthly Repayment
• Assistance is forgiven pro-rata on a monthly basis over 10 years
IHDAccess Deferred

5% up to $7,500

Assistance Amount:
- 5% of the Purchase Price, Up to $7,500 Max

Term: 30 years

Repayment:
- 0% Interest
- Full Amount Due at maturity date or upon “repayment event” (refinance, sale of home, etc.)
- Can be prepaid at any time
10% up to $10,000

**Assistance Amount:**
- 10% of the purchase price, Up to $10,000 Max

**Term:** 10 years

**Repayment:**
- 0% interest
- Monthly Payment = DPA Amount ÷ 120 months
- For example, if $10,000, payable at $83.33/month
$6,000 Flat DPA

<table>
<thead>
<tr>
<th>1st Mortgage Term</th>
<th>30-Year, same low, fixed rate, regardless of credit score/income (as long as within IHDA credit/income limits)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistance Amount</td>
<td>$6,000 flat</td>
</tr>
<tr>
<td>2nd Mortgage Term</td>
<td>5 Years</td>
</tr>
<tr>
<td>DPA Repayment</td>
<td>No Repayment due after 5 years</td>
</tr>
</tbody>
</table>
All Programs

Borrower
- 640 minimum FICO
- First-time or non-first time homebuyer
- Non First-Time Homebuyers can retain residence if
  - buying a new OWNER-OCCUPIED property and
  - allowed by Agency

Limits
- Borrower’s income must not exceed the applicable county limits
- Purchase Price cannot exceed the applicable county limits
- No County Restrictions
  - All Illinois counties are eligible across all IHDA Mortgage programs

Financing
- All Loan Types
- Must be used with an IHDA 30-year, fixed-rate 1st Mortgage
IHDA Mortgage
Process

Important Tips
General Overview

Lender takes Loan application

Lender locks 1st reservation in TPO

Lender underwrites the loan

Lender uploads IHDA Delivery Package to be reviewed by IHDA and simultaneously sends U.S. Bank a Credit Package for Review

Lender closes the loan

Review is Not Complete or needs corrections

Lender provides missing documents or corrections as requested

IHDA and U.S. Bank Compliance Review Delivery Package

IHDA and U.S. Bank Reviews are Complete

U.S. Bank Purchases 1st from Lender and reimburses the amount of the 2nd

Lender fronts monies for closing
• Must meet Agency guidelines, U.S. Bank HFA guidelines, and IHDA compliance per the **IHDA Procedural Guide**

• U.S. Bank is the Master Servicer

• The Lender’s Underwriter must approve the loan. IHDA does not review loan prior to closing

• NEW! IHDA only requires income for all those liable, or secondarily liable on the Note

• IHDA Mortgage’s Down Payment Assistance (2\(^{nd}\) Mortgage) requires using a traditional 1\(^{st}\) mortgage, i.e. no Home Ready, 203K

• Lender is responsible for table funding and servicing both the first and second mortgage until purchased by U.S. Bank

• Must use IHDA Mortgage’s interest rate
  
  • The rate is the rate is the rate
  
  • No Loan Level Price Adjustment, No Adverse Market Fees, No Buydowns

All lenders must be IHDA approved
www.ihdamotoage.org/join
Important Notes

- **All resources are online**
  - [www.IHDAMortgage.org](http://www.IHDAMortgage.org)
  - Partner Center
    - All Lender tools in ONE spot:
      - Required Documents/Checklists
      - Procedural Manual
      - Interest Rates/Lender Dashboard
      - Detailed FAQs
      - Training Archive
Important Notes

- For all U.S. Bank questions
  - www.usbank.com/correspondent
    - Housing Finance Agency Services “Learn More”
  - HFA Help Desk – Contact for general program questions.
    - hfa.programs@usbank.com – E-mail box
    - 800-562-5165, option 2, (between 8:00 a.m. and 5:00 p.m. Eastern Time)
Before you start

Verify:

✓ the borrower(s) and the non-borrowing spouse is a first-time or non-first time homebuyer

✓ the home is in a targeted or non-targeted area

✓ the DTI is equal to or less than 45.00%

✓ the credit score 640 or greater

✓ the borrower(s) can contribute the greater of $1,000 or 1% of the purchase price

✓ the income and purchase price are under the IHDA income limits (must use the IHDA Income Calculator)
### Maximum Income Limits

<table>
<thead>
<tr>
<th>Subject Property County</th>
<th>Non-MCC Loans</th>
<th>Loans with MCC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Any Household Size</td>
<td>Household Size 1-2</td>
</tr>
<tr>
<td>Cook, DuPage, Kane, Lake, McHenry, Will</td>
<td>$111,840</td>
<td>$93,200</td>
</tr>
<tr>
<td>DeKalb</td>
<td>$105,120</td>
<td>$87,600</td>
</tr>
<tr>
<td>Grundy</td>
<td>$108,360</td>
<td>$90,300</td>
</tr>
<tr>
<td>Kendall</td>
<td>$128,760</td>
<td>$107,300</td>
</tr>
<tr>
<td>McLean</td>
<td>$114,360</td>
<td>$95,300</td>
</tr>
<tr>
<td>Menard, Sangamon</td>
<td>$102,600</td>
<td>$85,500</td>
</tr>
<tr>
<td>Champaign, Ford, Piatt</td>
<td>$103,680</td>
<td>$86,400</td>
</tr>
<tr>
<td>*All Other Counties</td>
<td>$102,000</td>
<td>$85,000</td>
</tr>
</tbody>
</table>

### Maximum Purchase Price Limits

<table>
<thead>
<tr>
<th>Subject Property County</th>
<th>One Unit</th>
<th>Two Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cook, DuPage, Kane, Lake, McHenry, Will</td>
<td>$332,235</td>
<td>$425,296</td>
</tr>
<tr>
<td>DeKalb</td>
<td>$332,235</td>
<td>$425,296</td>
</tr>
<tr>
<td>Grundy</td>
<td>$332,235</td>
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<tr>
<td>Kendall</td>
<td>$332,235</td>
<td>$425,296</td>
</tr>
<tr>
<td>McLean</td>
<td>$311,979</td>
<td>$399,448</td>
</tr>
<tr>
<td>Menard, Sangamon</td>
<td>$311,979</td>
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<td>*All Other Counties</td>
<td>$311,979</td>
<td>$399,448</td>
</tr>
</tbody>
</table>

- Some of these limits have been determined by a Private Letter Ruling issued by the IRS to the Authority.
- These limits may be used only in connection with Authority Programs.
- Use of these limits in connection with other Bond Programs is prohibited.
- MCC is a Mortgage Credit Certificate, please visit IHDA.org for details.

Income Docs Needed

There are two (2) income calculation amount/types on every file:

1. Qualifying, Credit Qualifying, IHDA has no input or overlays on, and
2. IHDA income calculation, for IHDA income limit, which is separate and independent

Documents Required

Borrower(s) – 3 years tax transcripts (or signed tax returns)

- Most recent year W-2s
- Current income docs (for example, 30 days most current paystubs from all jobs, disability awards letter, social security awards letter, YTD profit & loss for self-employment, etc.)
- VOEs from all W2 employers where they no longer work (can be verbal or Work Number).

Non-borrowing spouse – Must provide 3 years signed tax returns (or transcripts)

Please note that this is still required – most missed post close condition

- Income docs such as paystubs, etc. no longer required
Income Docs Needed

For IHDA income limits all sources of income at time of close is included, even if you are not using it for qualifying income.

IHDA Tax Affidavit: If borrower or non-borrowing spouse are not Required to file tax returns in the past 3 years, must sign IHDA Tax Affidavit for those years. This can be found on our website, www.ihdamortgage.org/docs.

IHDA Zero Income Certification: If co-borrower currently has no source of income, they must complete and sign the IHDA Zero Income Certification, included in program Doc Sets.

Child Support: If a family situation shows there could be a possibility of child support being received by anyone in the household, provide the court order and include it in household income, or an LOX stating there is no court order and how much, if any, is being received monthly.
**Income Calculator**

- **Do not complete by hand**
- **Complete all fields (dates, county, number in HH, names of all HH occupants, etc.)**
- **Must be signed by preparer and dated prior to close**

Information on calculating income can be found in the IHDA Mortgage Procedural Manual.
All borrowers must occupy the property within 60 days of close

**Non-occupant borrowers are prohibited**

Both the 1\textsuperscript{st} and 2\textsuperscript{nd} mortgage should follow TRID
- Must be disclosed using the Loan Estimate (LE) and the Closing Disclosure (CD)
- The 2\textsuperscript{nd} mortgage can only have recording fees charged

The property must be a qualified single-family dwelling
- Includes single family, condo*, townhouse, and 2 unit** properties (on less than 5 acres of land)
  - If you are not delegated to do condo reviews through US BANK, you must have the review done by the U.S. Bank HFA Division
  - 2 units have specific agency guidelines and need landlord counseling

No manufactured homes or mobile homes permitted

*Pro TIP: Approved Mortgage Insurance Companies include: Arch, Essent, Genworth, MGIC, National MI, Radian*
IHDA requires **ALL** borrowers to attend a Pre-Purchase Education course: Effective with reservations/locks starting 10/15/2020, courses must meet standards defined by:

- **HUD** or The National Industry Standards for Homeownership Education and Counseling
  - Check NIS Homeownership Education and Counseling: [https://www.homeownershipstandards.org/Home/Home.aspx](https://www.homeownershipstandards.org/Home/Home.aspx)
  - Check HUD approved agency: [https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?&webListAction=search&searchstate=IL](https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm?&webListAction=search&searchstate=IL)

- **These are a few that are currently approved** *(Visit [www.ihdamortgage.org/edu](http://www.ihdamortgage.org/edu) for full info)*
  - Essent Homebuyer Education: [https://www.essent.us/tools-resources/homebuyer-education](https://www.essent.us/tools-resources/homebuyer-education)
  - Fannie Mae Framework: [https://educate.frameworkhomeownership.org/](https://educate.frameworkhomeownership.org/)
  - Freddie Mac CreditSmart Homebuyer U: [https://sf.freddiemac.com/working-with-us/creditsmart/courses](https://sf.freddiemac.com/working-with-us/creditsmart/courses)

Currently MGIC, Genworth, Arch MI, and Radian do not meet the requirements
For Purchase Programs,

- Borrowers must contribute a minimum investment for the greater of $1,000 or 1% of the purchase price.
- Borrowers can leave the table with $250 plus anything above and beyond the borrower’s minimum investment of 1% or $1,000, whichever is greater (all other funds should be used for principal reduction).

Borrower Contributions (appraisal fees paid by borrower, EM deposit, Borrower POC, etc.)
- Minimum Required Investment (greater of 1% or $1000)

= Allowable Cash Back to Borrower
+ $250
= Maximum Cash Back to Borrower

Any amount greater than the Maximum Cash Back to Borrower (including tax proration, seller credit, etc.) that may be due to the borrower, must be applied to principal reduction.

* Tax proration does not count towards the borrower’s required minimum investment.
• **Manual Underwrite** – **NOT ALLOWED**

• **Approve/Eligible**
  - Freddie Mac HFA Advantage (LPA) or FNMA HFA Preferred (DU)

• **Delivery Requirements**
  - All IHDA Mortgage conventional loans must be run through
    - DU “HFA PREFERRED” or LPA as “HFA Advantage (eligible users only)”
  - You must show the subordinate financing, which is considered a community second

Please note the following important information for FHLMC/Freddie:

• **HFA Advantage**
  - Select HFA Advantage in the “Offering identifier” field in “Mortgage Type and Loan Terms” section of LPA (shown as Offering Identifier 251 in some LOS)
  - Only 1-unit properties allowed

• **Follow DU and LPA for PMI Coverage**
Reserving an IHDA Mortgage

Steps to Take
To get your login credentials to TPO Connect, you will request them from the system admin at your company.

If you need a list of your system admins at your company, please contact IHDA at mortgage@ihda.org.

There are videos and training manuals located at ihdamortgage.org/tpotraining.
• There are no “hard stops” in TPO connect such as over income limits, over purchase price limits, incorrect subordination amount (DPA amount), etc.

• Save your loan file as a FNMA 3.2 file and upload it to the TPO Connect system to save time

• You must enter a FICO score

• Make sure you have subordinate financing selected as “Yes” and your subordinate financing amount (DPA) is correct

• Update estimated closing date

• For government loans —
  • On the loan information screen, next to MI coverage, click the calculator.
  • Make sure the MIP/Funding/Guaranteed amount is the correct percentage rate. If not, update it, and hit done. This is how you update your total loan amount (and adjusting base loan amount), as the total loan amount cannot be manually adjusted.
Remember with TPO Connect, registering a loan and locking the rate are separate processes.
- You can verify if a loan is locked by looking at your pipeline and see if the loan is “locked” or “unlocked”.

Once in product pricing, you must select “60 days” as lock period.

You must put in a target interest rate if there is one not in there.
- The target rate is not the rate the loan will be locked at.

Lender paid MI is not a current option on any IHDA loans.
To print lock confirmation — click on “product pricing and lock” and click on printer icon in upper right-hand side.

Verify your subordinate financing amount is listed on lock confirmation, as there is no separate 2nd lock confirmation.

There is a single loan file with a single loan number in TPO Connect.

The 2nd loan numbers will be auto-assigned on the back end by adding “dpa” at end of 1st loan number. Example: If first loan is 3117907, 2nd loan number will be 3117907dpa.

To update any changes on lock confirmation that were updated to loan in TPO Connect, between 9:30 – 5:00 CST, click re-price lock, choose same program, and re-price the lock again and print new confirmation.

Re-pricing does not change the reservation in any way (if same program is chosen) other than updating lock confirmation.
To extend your lock, “click on product pricing & lock”, click on “extend lock”, select 30 days, Service Release Premium paid by U.S. Bank will be shown, but actual SRP reductions are calculated from the actual purchase date back to lock date.

You can then print new confirmation showing extension.

If the loan is already expired, you will not be able to extend it through TPO Connect and will have to request an exception be made by emailing mortgage@ihda.org.
Where to find the documents

One stop for ALL documents:

- Document sets
- Income Calculator
- Checklist
- Guides
- Marketing Materials
- Descriptions
- Previews
- Searchable

www.ihdamortgage.org/docs

*All IHDA docs can be e-signed except the Mortgage and Note*
**IHDA Required Documents**

### At Application
- (HO-001) Submission Cover
- Signed Income Calculator
- (HO-012) Borrower Affidavit
- (HO-034) MRB Initial Recapture
- (HO-024) MCC Opt-out *(as needed)*
- (HO-007) Signed Income Certificate
- (HO-002) U.S. Bank Authorization
- (HO-004) Tax Code Compliance Certificate

### At or After Close
- 2nd Mortgage Note
- Certified copy of 2nd Mortgage
- (HO-008) IHDA Rider to 1st Mortgage *(record w/ 1st)*
- Signed Servicing Letter
- (RP-016) Second Payment Letter
- (HO-054) Assistance Impact Letter
- (HO-035) MRB Final Recapture
Submission Cover

- Complete in its entirety
- Keep as part of the document set
- If completed correctly it will autofill all the documents required for IHDA
- To use the doc sets with fillable fields, download and open with Adobe Reader
Borrower Affidavit

- Be sure that the spouse also signs this document, even if non-borrowing.

- If signed with a wet signature, please be sure it is also notarized.
MRB Initial Recapture

• Be sure the Initial Recapture is included in the file and signed

• Please note that this is a separate form from the Final Recapture
MCC Opt-Out

- Required if borrower is opting out
- Must be signed by the LO and the borrower
Income Certification

- Complete in its entirety
- MUST include everyone who will reside in the subject property for occupancy purposes
- #3 must be completed
  - should be the annual income NOT the monthly for those on the Note
- MUST be signed

Illinois Housing Development Authority
CERTIFICATION OF INCOME

This SIGNED form is to be submitted to the Illinois Housing Development Authority ("Authority"); original must be retained by lender.

Borrower Name: ___________________________ Street Address: ___________________________

Co-Borrower Name: ___________________________ City: ___________________________

Program Name: ___________________________ ZIP Code: ___________________________

The undersigned certifies that:
1) This Certification of Income is being delivered in connection with the undersigned’s application for funds in connection with the above referenced Program.
2) The following individuals, including those liable or secondarily liable on the Note, will occupy the property/unit/home listed above:

<table>
<thead>
<tr>
<th>OCCUPANT</th>
<th>RELATIONSHIP</th>
<th>AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Primary Borrower</td>
<td></td>
</tr>
<tr>
<td>B.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td></td>
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</tr>
<tr>
<td>F.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3) The total ANNUAL Household Income (counting only the income of those in the household that are liable, or secondarily liable, on the Note) as of the date of application is as follows:

This should be annual income, not monthly

If this Certification of Income is executed more than 90 days prior to the Closing Date of the purchase of the property/unit/home, I agree to update and recertify the accuracy of the information in this Certificate within 90 days prior to such Closing Date.
U.S. Bank Authorization

• Complete page 2 in its entirety
• signatures, address, loan numbers, etc.

Borrower Authorization of Release of Private Information

The undersigned Borrower and Co-Borrower, if any, (individually and collectively, “Borrower” or “I”) authorize U.S. Bank National Association, and its successors and assigns (“U.S. Bank”), to disclose, share, release, communicate, and provide to and with Illinois Housing Development Authority ("Third Party") private information and documentation (collectively, “Information”) contained in or related to my mortgage loan, which is identified below. This Information may include, but is not limited to, my name, address, telephone number, social security number, FICO score, loan data, credit report, income, government monitoring information, loss mitigation application status, account balances, program eligibility, reports, and payment activity, including delinquencies. I understand that some or all of the Information is classified as private information with regard to an individual. I understand that it may be necessary for Third Party to have access to my Information in order to effectively manage Third Party’s loan programs.

I have read and understand U.S. Bank’s Privacy Pledge which is attached to this Authorization. I am aware that U.S. Bank is committed to compliance with its Privacy Pledge and with the Privacy of Consumer Financial Information (Regulation P) Gramm-Leach-Bliley Act (GLBA), the Fair Credit Reporting Act (FCRA) and other legal requirements relating to the privacy and security of my Information.

I understand that U.S. Bank will take reasonable steps to verify the identity of Third Party before releasing my Information to Third Party, but U.S. Bank has no responsibility or liability to verify the identity of Third Party or what Third Party will do with my Information provided by U.S. Bank. I agree to indemnify and hold U.S. Bank harmless in the event Third Party misuses my Information provided to Third Party by U.S. Bank.

This authorization will not be valid unless I sign the authorization and will remain in effect until I revoke it in writing and deliver my revocation to U.S. Bank.

Loan No.: ____________________________

Property Address: ____________________________

, Illinois

Borrower Name: ____________________________

Co-Borrower Name: ____________________________

Borrower Signature: ____________________________

Co-Borrower Signature: ____________________________

Date: ____________________________

Date: ____________________________
Tax Code Compliance Certificate

• MUST be included

• MUST be signed by the lender
Documents
At or After Closing

IHDA MORTGAGE
2nd Mortgage & 2nd Mortgage Note

- Each program has a different
  - Mortgage and
  - Note

- Be sure you are using the correct one

- Check all fields (address, amounts, names) to be sure they are accurate
IHDA Rider to 1st Mortgage

- Must be recorded with the 1st Mortgage, NOT the 2nd
- The loan amount used must be the 1st mortgage amount
- Be sure the date is included

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
MORTGAGE RIDER

NOTICE TO MORTGAGOR

THE PROVISIONS OF THIS RIDER SUBSTANTIALLY MODIFY THE TERMS OF THE LOAN. DO NOT SIGN THE NOTE OR THE SECURITY INSTRUMENT UNLESS YOU READ AND UNDERSTAND THESE PROVISIONS.

RIDER TO MORTGAGE BY AND BETWEEN THE

__________________________________________________________________________

(THE “MORTGAGOR(S)”) AND

__________________________________________________________________________

(THE “LENDER”)

The Mortgagor is executing simultaneously herewith that certain mortgage, dated

[Must be Dated]

the “Security Instrument”) to secure a loan (the “Loan”) made by

__________________________________________________________________________

(The “LENDER”)

in the amount of the [1st Mtg. Amt.] to the Mortgagor, evidenced by a note (the “NOTE”) of even date herewith. It is expected that the Loan will be purchased or securitized by the Illinois Housing Development Authority (the “Authority”). It is a condition of the making of the Loan that the Mortgagor execute this Rider. In consideration of the respective covenants of the parties contained in the Security Instrument, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are acknowledged, Mortgagor and Lender further mutually agree as follows:

1. The rights and obligations of the parties to the Security Instrument and the Note are expressly made subject to this Rider. In the event of any conflict between the provisions of this Rider and the provisions of the Security Instrument and the Note, the provisions of this Rider shall control.

HO-008.1
Dear Borrower,

Thank you for participating in the IHDA Mortgage Access Program! The Illinois Housing Development Authority (the "Authority") is committed to the financing of single family housing and as a new customer we want to take this opportunity to welcome you to the Authority. We recognize the need to work closely with our borrowers and hope you will find the information provided herein helpful to you.

Your second loan was financed to assist you with your down payment needs and the Note made by you in connection with the second loan is secured by a Second Mortgage. Please review your Note carefully and understand the payment terms you are obligated to.

A second letter will soon follow that will provide you with further direction regarding the servicing of your second loan. If you have any questions or any changes that may impact notices you will receive during the term of your second loan, please contact us at:

Illinois Housing Development Authority
111 E. Wacker Dr, Suite 1000 Chicago, Illinois 60601
Attention: Homeownership Department

We may also be contacted directly at Mortgage@ihda.org. Or call us at (877) 456-2656. Thank you in advance for your cooperation and we look forward to servicing your future needs.

Sincerely,

[Tara Pavlik, Managing Director of Homeownership]

Acknowledged this _____ day of ____________, 20__

[Borrower ____________________________]

[Co-Borrower ____________________________]

Financing the creation and preservation of affordable housing
Dear Borrower:

Thank you for participating in the IHDA Mortgage Access Program! Congratulations on the purchase of your new home!

Please be aware that until you receive notification that your loan has been purchased and transferred to our Master Servicer U.S. Bank Home Mortgage (HFA division), submit each monthly payment to your originating lender.

Once the loan is transferred, you will receive separate billing statements from U.S. Bank Home Mortgage for your first mortgage and for the Down Payment Assistance second mortgage. You may use the following address in the event you have not received your billing statement:

U.S. Bank Home Mortgage
Loan Number:
P.O. Box 790415
St. Louis, MO 63179-0415

The toll free phone number for the U.S. Bank Home Mortgage customer service department (HFA division) is (800) 365-7772. You will not be assessed any late charge or penalty during the transfer period.

Sincerely,

Illinois Housing Development Authority

2nd Payment Letter

- Currently only required on the Access Repayable Program

- Details where the payments for the DPA 2nd should be sent

Borrower Signature: ___________________________
Print Borrower Name: ___________________________
Co-borrower Signature: _________________________
Print Co-borrower Name: _________________________
Assistance Impact Letter

- Must be completed by every household
MRB Final Recapture

- 5-page document
- Be sure you are using the 1st loan amount
- Be sure it is signed
- Be sure it is IN ADDITION to the Initial Recapture
Avoid Errors

1. Need signed year-to-date profit and loss for any self-employment income

2. Include signed statement indicating whether child support is/is not received with copy of court order, if applicable

3. Don’t forget 3 years signed tax returns from non-borrowing spouse, if filed separately

4. Follow agency guidelines on spouse being on title and purchase contract
Avoid Errors

Don’t forget the non-borrowing spouse’s signature on the borrower affidavit.

Be sure to include signed federal tax return for most recent filing year when loan closed after 4/15 – no extensions are allowed by IHDA Mortgage.

Remember VOE’s for any employment terminated in most recent tax filing year.

Include the signed, completed MCC opt-out letter for all loans with no MCC.

IHDA Doc Set and IHDA Income Calculator must be downloaded each time from www.IHDAmortgage.org/docs.
Lender Fees and Compensation

- Service Release Premium (SRP) payable to participating lenders = 2.00% of the principal loan amount paid at time of purchase by U.S. Bank HFA division
- Sale/purchase of loan must occur within 60 days or SRP reduced by 25 BPS
  - if not sold by the 90th day IHDA Mortgage reserves the right to not purchase the loans and loan is subject to additional SRP reduction(s)
- If there is an origination fee, not to exceed 1% Plus $1,200

Fees paid to third parties (i.e. courier fees, appraisal and title policy fees) are allowed and are not included in the $1,200 in allowable fees
Final Tips

- Read the IHDA Mortgage Procedural Manual
- Review the website FAQ page https://www.ihdamortgage.org/lenderfaqs
- Sign-up for our lender dashboard: www.ihdamortgage.org/rates
- All documents must be found on www.ihdamortgage.org/docs and downloaded for each individual use
- Reach out to IHDA Mortgage team members with questions

Questions can be directed to mortgage@ihda.org
877-456-2656
Account Managers

Racheal Falzone
RFalzone@ihda.org
(312) 914-5023

John Maksim
JMaksim@ihda.org
(312) 802-1894

Rosie Verdin
RVerdin@ihda.org
(312) 438-3538
Thank you!
We appreciate your partnership!

IHDA Mortgage
877-456-2656
mortgage@ihda.org