Please Mute Your... 

Microphones
Children
Dogs
Etc.

We want (almost) everyone to be heard so please mute your mic and place your questions in the chat box for the Q&A at the end!
Our Goals

**Increase Homeownership Accessibility**
Make homeownership within reach for low – moderate income families.

**Promote Homeownership**
A safe and affordable lending program can allow families to break the cycle of renting and grant access to homeownership.

**Stabilize Communities**
The stability of homeownership is a key way to improve the health and safety of low – moderate income families.
The Inequity Of Our Industry...

Challenges we face:

- **Lower homeownership rates**
  Only 37.8% of black households own homes in Illinois, 47% for Latino households, compared to a whopping 72.6% for white households.

- **No American Dream for the Dreamers (DACA)**
  Illinois DACA recipients have paid over a 120 million dollars in taxes, but still struggle to find mortgage lenders and programs that will work with them.

- **Higher Lending Costs**
  Black homeowners will pay $67,320 more for their houses on average because each month Black homeowners pay slightly higher mortgage rates, mortgage insurance premiums, and property taxes. IHDA limits fees and everyone gets the same interest rate.
The Inequity Of Our Industry (2)…

Challenges we face:

Black Homebuyers carry 30% more student debt
The National Association of REALTORS found that black homebuyers carried $38,060 in student debt, while white buyers only carried $30,000.

Student Debt is a bigger barrier to minorities
Compared to those without outstanding student loans, black and Hispanic borrowers had $36,000 less in net worth than their peers.

Underinvested
For every $1 that banks loaned in Chicago's white neighborhoods, they invested a mere 12 cents in black neighborhoods, and 13 cents in Latino areas.
New Programs!

SMARTBUY
Down Payment Assistance WITH Student Loan Debt Relief
$5,000 DPA with up to $40,000 for student loans

OPENING DOORS Abriendo Puertas
$6,000 DPA

Both require pre-purchase homebuyer education!
The Math Of SMARTBUY

- $33,500 Average Student Debt
- $216 Average Monthly Student Debt Payment
- 11 years Average time it takes Illinoisans to payoff student loans
- 49% Are delaying buying a house due to student loans.

Student loans = 2nd Largest Expense
Trailed only by rent…
SmartBuy aims to increase access to homeownership by removing the burden of student loans for homebuyers.

- It comes with a flat $5,000 deferred that can be used for down payment assistance or closing costs.
- It will also pay 15% of the purchase price toward the payoff of your student loans up to $40,000!
<table>
<thead>
<tr>
<th>1&lt;sup&gt;st&lt;/sup&gt; Mortgage Term</th>
<th>30-Year fixed rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowed Loan Type</td>
<td>Fannie Mae® ONLY</td>
</tr>
<tr>
<td>DPA Assistance</td>
<td>$5,000 flat deferred</td>
</tr>
<tr>
<td>Student Loan Assistance Terms</td>
<td>15% of purchase price up to $40,000</td>
</tr>
<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Mortgage Term</td>
<td>Due upon the sooner of the maturity date or repayment of the 1&lt;sup&gt;st&lt;/sup&gt; mortgage</td>
</tr>
<tr>
<td>Student Loan Assistance Terms</td>
<td>Promissory Note and Deed Restriction; no repayment required after 36 months</td>
</tr>
</tbody>
</table>
**SmartBuy Terms**

**Borrower**
- 640 minimum FICO
- Must have at least $1,000 in student loans from qualified source (no private loans)
- First-time or non-first time homebuyer
- Must be current on their student loans (forbearance is ok)

**Limits**
- Borrower’s income must not exceed the applicable county limits
- Purchase Price cannot exceed the applicable county limits

**Financing**
- Fannie Mae Loan Types Only!
- All student loans must be paid off at closing by the 15% assistance or in combination with borrower funds
SMART BUY Process

1. Borrower applies for SmartBuy with a SmartBuy Lender.

2. Lender checks eligibility against IHDA Mortgage income limits and SmartBuy submission cover.

3. Lender uploads pre-close loan package documents for pre-close review approval.

4. IHDA reviews and issues pre-close approval.

5. Lender closes loan and uploads post-close loan package.

6. IHDA reviews package and issues approved for purchase.
Can any lender participate?

Yes, but...

Lenders must indicate they want to participate.

A separate list of lenders will be available on www.ihdamortgage.org/smartbuy
OPENING DOORS
Abriendo Puertas
$6,000 Flat DPA

**1st Mortgage**
- Term: 30-Year, fixed rate

**Assistance Amount**: $6,000 flat

**2nd Mortgage**
- Term: 5 Years

**DPA Repayment**: No Repayment due after 5 years
Existing Programs

IHDAccess Forgivable
4%
UP TO $6,000

IHDAccess Deferred
5%
UP TO $7,500

IHDAccess Repayable
10%
UP TO $10,000

A no monthly payment, forgivable down payment assistance loan, no repayment unless sold or refinanced before 10 yr. forgiveness period.

A no monthly payment, deferred down payment assistance loan, payment is due when you sell or refinance.

A zero-interest repayable down payment assistance loan, monthly repayment is required.
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
We need your help!
Let’s get the word out!

- **Tell friends and family!**
  People are 90% more likely to utilize a product or program if it’s endorsed by a friend or family member.

- **Share on your social channels!**
  SmartBuy will have a dedicated link for interested homebuyers, and we’ll be sending along information to everyone that participated in this webinar soon!

- **Go old-school with flyers!**
  We will have flyers available to anyone that is interested in promoting these programs soon. Also, if you need something different that is co-branded, let us know! We’ll work with you!

- **Tell us how we’re doing!**
  We love feedback. If you have comments, suggestions, or criticism, we’re all ears!
Q & A

Get your questions ready!

1. Please keep your mic muted!

2. Put your questions in the chat and we’ll answer them in order.

You can also email Mortgage@ihda.org with any questions we didn’t cover!
Thank You!

We Appreciate Your Partnership!

Tara Pavlik
Managing Director

877-456-2656
mortgage@ihda.org