**Purpose**

To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 4%. This Down Payment Assistance (DPA) is offered as a recorded forgivable 2nd mortgage for qualified borrowers.

**Date**

Reservations for IHDA Mortgage – Access 4%, opened in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

**Usage**

The funds provided are in the form of a forgivable 2nd mortgage for an owner occupied, primary residence purchase. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed $250 + any amount over their required minimum investment (any additional should be principal reduction).

**Down Payment Assistance**

The DPA or “assistance” amount shall be recorded as a 2nd lien and may be used to cover down payment and/or closing costs. Assistance is limited to 4% of the purchase price up to $6,000. The 2nd mortgage shall be forgiven pro rata on a monthly basis over a 10-year forgiveness period. The 2nd mortgage may not be re-subordinated.

**2nd Mortgage Payment**

No monthly payment due. Full repayment is required following certain qualifying repayment events. (Review Mortgage and Note for full terms.)

**Interest Rate (Set by IHDA)**

Daily IHDA rates apply on the 1st mortgage. The 2nd mortgage carries 0% interest.

**Minimum Borrower Investment**

The greater of 1% or $1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or $1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the Program Matrix and IHDA Procedural Guide for details.

**Repayment and Recapture**

The 2nd mortgage funds will be forgiven pro rata on a monthly basis over a 10-year forgiveness period. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage.

Both may be subject to repayment or recapture depending on terms of Recapture Notice.

**Eligibility**

- Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois.
- Minimum credit score - 640 for all loan types
- FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only
  - AUS Approve/Eligible or Accept/Eligible findings required
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- IHDA income and property purchase price limits apply
- Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- MCC Opt Out form must be signed (PTC)
- No manufactured homes

Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.

**Income Requirement**

Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on The Document Library to qualify for IHDA Mortgage DPA.

**Disclosure of Funds**

All 1st and 2nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2nd mortgage, only recording fees are allowed.

**Disclaimer**

The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.
To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 5%. This Down Payment Assistance (DPA) is offered as a recorded 2nd mortgage for qualified borrowers.

Reservations for IHDA Mortgage – Access 5% opened in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

The funds provided are in the form of a deferred 2nd mortgage for an owner occupied, primary residence purchase. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed $250 + plus any amount over their required minimum investment (any additional should be principal reduction).

The DPA or “assistance” amount shall be recorded as a 2nd mortgage and can be used to cover down payment and/or closing costs. Assistance is limited to 5% of the purchase price up to $7,500. The 2nd mortgage term shall be 30 years. The full principal balance of $7,500, less any optional payments, is due upon the sooner of the maturity date or repayment of the 1st mortgage. The 2nd mortgage may be pre-paid at any time without penalty. The 2nd mortgage may not be re-subordinated.

The greater of 1% or $1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or $1,000.00 whichever is greater into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the Program Matrix and IHDA Procedural Guide for details.

The 2nd mortgage funds will be repaid at 30 years, unless repaid sooner, or in the event of a refinance or sale. IHDA will release lien when the amount is paid in full. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage.

Both may be subject to repayment or recapture depending on terms of Recapture Notice.

Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois.
- Minimum credit score - 640 for all loan types
- FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only
  - AUS Approve/Eligible or Accept/Eligible findings required
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- IHDA income and property purchase price limits apply
- Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- MCC Opt Out form must be signed (PTC)
- No manufactured homes

Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.

Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on The Document Library to qualify for IHDA Mortgage DPA.

All 1st and 2nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2nd mortgage, only recording fees are allowed.

The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.
Purpose
To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 10%. This Down Payment Assistance (DPA) is offered as a recorded 2nd mortgage for qualified borrowers.

Date
Reservations for IHDA Mortgage – Access 10% open in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

Usage
The funds provided are in the form of a repayable 2nd mortgage for an owner occupied, primary residence purchase. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed $250 + plus any amount over their required minimum investment (any additional should be principal reduction).

Down Payment Assistance
The DPA or “assistance” amount shall be recorded as a 2nd mortgage and can be used to cover down payment and/or closing costs. Assistance is limited to 10% of the purchase price up to $10,000. The 2nd mortgage term shall be 10 years. The full principal balance shall be repaid monthly over the 10-year term at 0% interest. The 2nd mortgage may be paid off at any time prior to maturity and carries no pre-payment penalty. The 2nd mortgage may not be re-subordinated.

2nd Mortgage Payment
2nd Mortgage Amount ÷ 120 months = Monthly Payment Amount
(Review Mortgage and Note for full terms.)

Interest Rate
Daily IHDA rates apply on the 1st mortgage. The 2nd mortgage carries 0% interest.

Minimum
The greater of 1% or $1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or $1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the Program Matrix and IHDA Procedural Guide for details.

Repayment and Recapture
The 2nd mortgage funds will be repaid monthly amortizing over 10-years at 0% interest rate. For example, at the full $10,000 the payment would be $83.33/month. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage. Both may be subject to repayment or recapture depending on terms of Recapture Notice.

Eligibility
- Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois.
- Minimum credit score 640 for all loan types
- FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only
  - AUS Approve/Eligible or Accept/Eligible findings required
- IHDA income and property purchase price limits apply
- Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- MCC Opt Out form must be signed (PTC)
- No manufactured homes

Income Requirements
Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on The Document Library to qualify for IHDA Mortgage DPA.

Disclosure of Funds
All 1st and 2nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2nd mortgage, only recording fees are allowed.

Disclaimer
The terms and conditions are subject to change until the lender locks the loan in IRRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney, or housing counselor before entering into any loan.
# IHDA Mortgage Credit Certificate (MCC)

**P U R P O S E**

Homebuyers who qualify for the program receive a MCC from the Illinois Housing Development Authority (IHDA), as authorized by the IRS, which can be used to reduce their household’s tax burden every year for the life of their mortgage loan. IHDA does not and cannot offer tax advice. Please speak to your tax advisor and/or Lender for specific information.

**D A T E**

Reservations open for closings on or after 9/1/2018 – in conjunction with an IHDA Access Program. Available until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

**U S A G E**

With a MCC, a percentage of what the homeowner pays in mortgage interest (25%) becomes a tax credit that can be deducted dollar-for-dollar from his/her yearly income tax liability (up to $2,000). The remaining 75% of the mortgage interest continues to qualify as an itemized tax deduction, as long as the homeowner has sufficient tax liability.

**F E E S**

$350.00 - Payable to Illinois Housing Development Authority

$150.00 - Optional fee that may be charged by the originating lender.

**R E C A P T U R E  T A X**

Recipients of the MCC may be subject to a federal recapture tax if the property is sold during the first 9 years.

**R E I S S U A N C E**

If a borrower currently has an MCC on their primary residence, and the borrower refinances their 1st mortgage loan, they may request reissuance of their MCC as long as the home remains their primary residence.

- Borrowers must qualify for a 1st mortgage through an IHDA participating lender and use an IHDA Access Program
- Borrowers must be a first-time homebuyer (or Exempt*) in Illinois
- Minimum credit score:
  - 640
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- IHDA MCC income and property purchase price limits apply
- Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- Property must be a qualified dwelling situated on less than 5 acres of land

(*Exempt = a qualified veteran (borrower must be a veteran), or property is in a targeted area. Note that if only the spouse is a veteran, the spouse must also be a borrower/mortgagor and obligated on the Note.)

Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.

**I N C O M E  R E Q U I R E M E N T**

Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted in the Document Library to qualify for IHDA Mortgage Access DPA.

**D I S C L O S U R E  O F  F U N D S**

All 1st and 2nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). The fees associated with the MCC must appear on the 1st Mortgage CD. On the 2nd mortgage, only recording fees are allowed.

**D I S C L A I M E R**

The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.

FINANCING THE CREATION AND PRESERVATION OF AFFORDABLE HOUSING IN ILLINOIS.
$7,500 DPA
First-Time Homebuyers ONLY

Purposes
To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers 1stHomeIllinois. This Down Payment Assistance (DPA) is offered as a recorded forgivable 2nd mortgage for qualified borrowers.

Date
IHDA Mortgage – 1stHomeIllinois Reservations opened in August 2015 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

Usage
The funds provided are in the form of a forgivable 2nd mortgage for an owner occupied, primary residence purchase. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Borrower must be a first-time homebuyer or exempt. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed $250 + plus any amount over their required minimum investment (any additional should be principal reduction).

Down Payment Assistance
Provides $7,500 in DPA as forgivable 2nd loan at 0% interest and five (5) year term for first-time homebuyers purchasing in the following counties ONLY:
- Cook
- St. Clair
- Marion
- Winnebago

2nd Mortgage Payment
No monthly payment due. Full repayment is required following certain qualifying repayment events. (Review Mortgage and Note for full terms.)

Interest Rate (Set by IHDA)
Daily IHDA rates apply on the 1st mortgage. The 2nd mortgage carries 0% interest.

Minimum Borrower Investment
The greater of 1% or $1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or $1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS). Please refer to the Program Matrix and IHDA Mortgage Procedural Guide for details.

Repayment and Recapture
The 2nd mortgage funds will be forgiven pro rata on a monthly basis over a 5-year forgiveness period. The DPA 2nd is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage.

Both may be subject to repayment or recapture depending on terms of Recapture Notice.

Eligibility
- Borrowers must be a first-time homebuyer in the Illinois counties listed above.
- Minimum credit score - 640 for all loan types
- FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only
  o AUS Approve/Eligible or Accept/Eligible findings required
  o Manual Underwrites – See Procedural Guide details
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- IHDA income and property purchase price limits apply
- Property must be a qualified single family dwelling (this includes condom, townhomes, and 2-units as allowed by Agency)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- MCC Opt Out form must be signed (PTC)
- 1stHomeIllinois Disclosure and Summary of Terms must be signed (PTC) and Dodd Frank certification is required
- No new construction and no manufactured homes

Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.

Income Requirement
Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on the Document Library to qualify for IHDA Mortgage DPA.

Disclosure of Funds
All 1st and 2nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2nd mortgage, only recording fees are allowed.

Disclaimer
The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.
**Purpose**

To assist borrowers by providing up to $50,000 to be applied to their first mortgage balance, thereby putting borrowers who meet the program requirements in a positive equity position.

**Date**

IHDA Mortgage – I-Refi Reservations opened in August 2016 and will run until Illinois Housing Development Authority (IHDA) has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).

**Usage**

The funds provided are in the form of a promissory note and recapture agreement for an owner occupied, primary residence purchase. The promissory note is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Please Note: borrowers may receive no more than $250.00 plus the appraisal cost, back at closing.

**Assistance**

Provides up to $50,000 with a forgivable three (3) year term through a promissory note and a recapture agreement.

**2nd Mortgage Payment**

No monthly payment due. Forgiven after 3 years. Full repayment is required following certain qualifying repayment events. (Review Loan Documents for full terms.)

**Interest Rate (Set by IHDA)**

Daily IHDA rates apply on the 1st mortgage. The 2nd mortgage carries 0% interest.

**Repayment and Recapture**

The funds will be forgiven pro rata on a monthly basis over a 3-year forgiveness period. The promissory note and recapture is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred. Both may be subject to repayment or recapture depending on terms of Recapture Agreement.

**Eligibility**

- Approval by IHDA prior to close required
- Borrowers must currently own and occupy the property being refinanced
- Existing mortgage must have been paid on time for most recent 12 months
- Minimum credit score:
  - 640 FHA, VA, USDA, FNMA HFA Preferred only
  - AUS Approve/Eligible findings required
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- Initial Loan to Value of 110% or more as determined by current appraisal
- Final Loan to Value must be between 90-97% (cannot exceed 97% LTV, excluding UFMP/FF)
- IHDA income and purchase price limits apply (property appraised value must be below purchase price limits)
- Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units)
- Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable
- Dodd Frank certification is required
- No manufactured homes

Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.

**Income Requirement**

Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the IHDA income calculator along with the I-Refi eligibility calculator (to verify initial 110% LTV, assistance amount, final LTV, and any cash borrower must bring to the table to close). Both are available on The Document Library to qualify.

**Disclosure of Funds**

Listed as a gift on DU.

**Disclaimer**

The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.

**Financing the Creation and Preservation of Affordable Housing in Illinois.**