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News Release

Training seminars to teach local lenders to access Gov. Blagojevich's \$200 million commitment to homeownership

Homebuyers in the Metro East counties of Illinois will benefit as local mortgage lenders sign up for this week's Collinsville training seminar

COLLINSVILLE – Following Gov. Rod R. Blagojevich's \$200 million commitment to the state I-Loan Mortgage program in June, the Illinois Housing Development Authority (IHDA) will conduct a series of free regional training seminars to teach local lenders how to access the funds to help families around the state buy their first homes. More than 25 loan officers representing 23 local banks, savings and loan associations and credit unions in Madison County have registered for Tuesday's two-and-a-half hour seminar. The program will educate local lenders on the state resources available for first-time homebuyers, and how to best access the \$200 million in funds.

"Gov. Blagojevich has asked IHDA to expand the homeownership options for Illinois families. We need to make sure that the \$200 million the Governor just committed to the I-Loan Mortgage program reaches those who need it the most, so IHDA has reached out to local lenders to educate them on the resources available through the state I-Loan Mortgage program. With its below-market, safe fixed interest rates, the I-Loan Mortgage is an excellent option for first-time homebuyers," said Kelly King Dibble, executive director of IHDA.

"My husband and I got married two months ago so we're just starting out," said Danielle Hartsock, 21, who lives in East Alton. "Up until then we lived with our parents. Our goal has always been to have a place of our own. The I-Loan Certificate will help lower our federal taxes, which means we can save a lot more to start a family. It's taken a lot of stress out of our future."

Danielle and husband Jared, 24, received a 20% tax credit under the I-Loan Certificate program, which will save them almost \$20,000 in federal taxes -- or an average of \$656 a year -- over the life of their loan. The savings allowed the couple to buy the house of their dreams in May, a \$89,000 two bedroom, one bathroom house in East Alton.

The I-Loan Certificate is a homeownership financing tool to help qualified homebuyers save as much as \$2,000 per year on their federal income taxes for the life of their 30-year loan. Homebuyers receive a dollar-for-dollar federal tax credit worth 20 percent of the annual mortgage interest.

IHDA's I-Loan Mortgage helps low and moderate-income families become first-time homeowners with 30-year fixed-rate mortgages that have interest rates half a percentage point or more below the market rate. Local partner banks originate the loans in a seamless transaction. IHDA funds the program with tax-exempt bonds, often allocated by local communities and counties.

"In the three short months that Liberty Bank has offered the I-Loan Programs to its customers, we have helped five families secure MCC certificates and processed one I-loan," said Len Levi, assistant vice president of mortgage loans at Liberty Bank. "Together with IHDA, we are proud to help low and moderate income families in the area achieve their homeownership dreams." Levi will also attend Tuesday's training seminar.

IHDA has more than 500 partner lenders statewide in approximately 3,800 branch locations who offer the I-Loan Mortgage and Certificate. This includes 23 lenders in more than 55 branches in Madison County. First-time homebuyers in Illinois can find more information about the I-Loan Mortgage and I-Loan Certificate and get a list of approved lenders in their area by visiting www.ihda.org or by calling IHDA's toll-free I-Loan hotline at 1.877.ILOAN.56 (1-877-456-2656).

Local lenders attending this week's training seminar will learn about the state I-Loan Mortgage and I-Loan Certificate programs, who qualifies for the programs and the process that gets IHDA to buy the loan from the lender. **The Collinsville session is scheduled for Tuesday, October 10, 9:00 a.m. to 11:30 a.m. at the Holiday Inn, 1000 Eastport Plaza Drive.** For more details about the seminar, contact Keith Pryor at 312-836-7348. The times and locations of future training sessions will be posted periodically at www.ihda.org.

Since 2003, IHDA has helped 6,195 families become first-time homeowners through its I-Loan Mortgage and I-Loan Certificate programs with nearly \$620 million in financing. In total, 81 homebuyers in Madison County were able to take advantage of \$6.6 million in funding. In FY06, 1,980 families statewide were able to buy their first homes with more than \$210 million from the I-Loan programs. Of these, 34 families live in Madison and used \$2.9 million in IHDA funds.

The Governor's 2005 *Building for Success: Illinois Comprehensive Housing Plan* allowed for spending earmarked for affordable housing at several state agencies to be strategically targeted to the following priority populations: very low income families; low income seniors; low income people with disabilities; homeless people and those at risk of becoming homeless; low and moderate income families and people unable to find affordable housing near jobs or transportation; and low income families and people living in existing affordable housing in danger of becoming unaffordable.

The 2005 Housing Plan was developed by the Governor's Housing Task Force. The 35 members of the Task Force include advocates, developers, lenders, and state agency representatives,

including eight Illinois state agency directors. Under the Governor's direction, the Task Force recently developed "*On the Road to Success: Illinois Comprehensive Housing Plan 2006*" which continues to build on the coordinated success of the 2005 Comprehensive Housing Plan.

About the Illinois Housing Development Authority

IHDA (www.ihda.org) is a self-supporting state agency that finances the creation and the preservation of affordable housing across Illinois. Since its creation by an act of the Illinois legislature in 1967, IHDA has allocated more than \$7.27 billion and financed more than 174,000 units of affordable housing across the state. IHDA accomplishes its mission through a number of federal and state funding sources, including the Illinois Affordable Housing Trust Fund, the Illinois Affordable Housing Tax Credits Fund, the allocation of federal Low Income Housing Tax Credits, HOME Investment Partnership funds and others. IHDA is also a bonding authority, and independently sells bonds, based on its own good credit, to finance affordable housing across the state.