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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 Rock Island area will benefit as up to 70 mortgage lenders sign up for this week's training seminar in Moline*

**MOLINE** – 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 70 loan officers representing 25 local banks, savings and loan associations and credit unions in the Rock Island area have registered for Friday's two-and-a-half hour seminar aimed to educate local lenders on what state resources are available for first-time homebuyers, and how to best tap into the funds.

"Gov. Blagojevich has asked IHDA to do its utmost to increase affordable housing options for Illinois families and homeownership is a key component of that goal. But we need to make sure that the \$200 million the Governor just committed to the I-Loan Mortgage program really reaches those who need it the most. That's why IHDA has taken a proactive approach to reach out to local lenders to ensure that they know about the available resources and that lenders present the state I-Loan Mortgage program, with its competitive fixed interest rates, and the I-Loan Certificate as viable options to first-time homebuyers," said Kelly King Dibble, executive director of IHDA.

IHDA helps low and moderate-income families become first-time homeowners by financing 30 year fixed-rate mortgages with interest rates approximately half a percentage point below the market rate. IHDA does this through its partner banks where the banks originate the loans and IHDA buys them as a secondary mortgage. IHDA funds the program by selling tax-exempt bonds based on its own good credit to finance affordable mortgage loans across the state.

The I-Loan Certificate is another 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 25 percent of the annual amount paid in mortgage interest.

Alicia White was able to buy the house of her dreams for herself and her three teenage children in Rock Island when she got approved for an I-Loan mortgage through I.H. Mississippi Valley Credit Union. The 42-year-old divorcee and full-time nurse had to overcome credit card debts incurred from medical bills for her second child, 15-year-old Matthew, who has Ehlers Down Syndrome. The family moved into their \$145,000 four bedroom home on 21<sup>st</sup> Street last week.

“The 6.3 percent interest rate offered by the I-Loan mortgage makes a huge difference to someone like me,” said White. “I am so grateful to I.H. Mississippi Valley Credit Union for recommending it to me. The IHDA program has enabled me to buy the home of my dreams. Without it, my family and I would have had to wait at least another five years before we could’ve afforded our own home.”

“I.H. Mississippi Valley Credit Union has offered the IHDA first-time homebuyer loan to its customers for almost five years now,” said Teresa Pearsall, real estate loan manager at I.H. Mississippi Valley Credit Union. “Last year alone we processed more than 60 I-Loans. Together with IHDA, we are proud to be able to help low and moderate income families in the area achieve their homeownership dreams.”

IHDA has more than 500 partner lenders statewide in approximately 3,800 branch locations who offer the I-Loan mortgage and certificates. This includes 25 lenders in more than 60 branches in the Rock Island and Quad Cities area. First-time homebuyers in Illinois can find more information about the I-Loan Mortgage and I-Loan Certificate and get a list of the approved lenders in their area by visiting [www.ihda.org](http://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 next session scheduled in Moline will be on Friday, August 25, 9 a.m. at the Holiday Inn Moline Convention Center at the Airport, 6902 27<sup>th</sup> Street.** For more details about the upcoming training seminar or to register, contact 312-836-5236. The times and locations of future training sessions will be posted periodically at [www.ihda.org](http://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. More than 370 homebuyers in Rock Island County alone were able to take advantage of \$25.5 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, 110 families live in Rock Island County and used more than \$8 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](http://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.