



**ILLINOIS HOUSING
DEVELOPMENT AUTHORITY**

Pat Quinn, Governor

News

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IHDA Awards \$2.8 Million To Illinois First-Time Homebuyers

Funds will assist with down payment, closing costs, subordinate financing and homebuyer education

CHICAGO – The Illinois Housing Development Authority (IHDA) today announced the award of \$2.8 million in grants and loans to 436 first-time homebuyers to assist in the purchase of a new home. The funds will be allocated to nine agencies for disbursement to Illinois residents to assist with down payment and closing costs, subordinate loans and homebuyer education to income-eligible homebuyers.

“Governor Pat Quinn is committed to helping hard-working families and individuals achieve the dream of homeownership. Together with our partner agencies, IHDA is proud to be helping people buy their first homes. Creating homeowners is the key to helping stabilize the community, the housing market and the economy,” said Gloria L. Materre, IHDA Executive Director.

Eligible homebuyers can receive between \$3,000 and \$5,000 in grants to assist with down payment and closing costs. The grants are forgivable if the buyer remains in the home for five years. In addition, qualified homebuyers in participating areas may also receive a subordinate loan at zero percent interest for a maximum loan amount of \$30,000, which must be paid at its maturity date or the time of resale. Homebuyers are required to contribute a minimum of \$1,000 toward the purchase of the home and complete a free homebuyer education course about responsible financial practices.

Applicants must be a first-time homebuyer to qualify, and earn at or below 80 percent of the area median income. For a two-person household in Cook County, the limit is \$48,100, according to the U.S. Department of Housing and Urban Development (HUD) guidelines.

For 26 year old Dai-Jon Clay and her two and a half year old son Elijah, the program has allowed her build a stable and brighter future for her family. In 2007, after an unexpected pregnancy, Clay moved out of her University of Illinois dorm room and back in with her mother and siblings to complete her studies.

“My long term goal to become a homeowner suddenly became a short term goal when Elijah was born,” said Clay. However, income from her administrative assistant position wasn’t enough to save for a down payment and provide for her son. That’s when the determined single mom reached out to the Latin United Community Housing Association (LUCHA), a long time recipient of IHDA funding. Clay received a \$10,000 loan and a \$3,000 grant, allowing her to purchase a two bedroom, one bathroom South Chicago home in January 2010.

“The assistance I got from IHDA and LUCHA was a big help,” said Clay. “It helped lower my principal and made things much more affordable for me.”

Funding for the program comes from the Illinois Affordable Housing Trust Fund, which is collected from a real estate transfer tax. In 2009, IHDA allocated \$4,178,000 in down payment and closing cost grants and

loans to 14 agencies across the state to help 346 Illinois individuals and families become first-time homebuyers.

The nine agencies that received 2010 funding are:

Agency	Counties served	Grant amount	Loan amount	Estimated # of assisted homebuyers	How to apply
Latin United Community Housing Association (LUCHA)	Cook, DuPage, Kane, Lake, McHenry, Will	\$110,000	\$390,000	30	Eli Barbosa 773-276-5338 ext. 236
City of Joliet	Kendall, Will	\$30,000	\$200,000	10	Alfredo Melesio 815-724-4100
Spanish Coalition for Housing	Cook	\$100,000	\$400,000	30	Ofelia Navarro 773-292-5784
Affordable Housing Corp. of Lake County	Lake	\$160,000	\$340,000	55	Lisa Tapper 847-263-7478
St. Clair County Intergovernmental Grants Department	St. Clair	\$300,000	n/a	80	Vince Kwiatkowski 618-277-6790
North West Housing Partnership	Cook	\$120,000	n/a	40	Holly Fraccaro 847-969-0561
Neighborhood Housing Services of Freeport	Stephenson, Winnebago	\$200,000	n/a	53	Deb Elzinga 815-232-6197
Mid Central Community Action, Inc.	DeWitt, Ford, Livingston, Logan, McLean, Piatt, Tazewell, Woodford	\$250,000	n/a	70	Rick Barrera 309-829-0691 ext. 236
City of Alton	Madison	\$200,000	n/a	68	Greg Caffey 618-463-3801
TOTAL		\$1,470,000	\$1,330,000	436	

IHDA also offers a 30-year fixed rate loan to qualified first-time homebuyers through its partner lenders and recently reduced the interest rate for that loan to 4.5 percent. Visit www.ihda.org for more details.

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 in 1967, IHDA has allocated more than \$10 billion and financed approximately 210,000 affordable units 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, and HOME Investment Partnership funds. IHDA is also a bonding authority, and independently sells bonds, based on its own good credit, to finance affordable housing in Illinois.