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News Release

State Program Helps 80 Families Buy Their First Homes in McLean and Livingston Counties

Illinois Housing Development Authority awards \$296,000 for first time homebuyers

Chicago - Building on Gov. Rod R. Blagojevich's continued commitment to affordable housing, more than 80 families in McLean and Livingston counties will soon receive cash grants and homebuyer counseling in order to purchase their first homes. The Illinois Housing Development Authority's (IHDA) board of directors approved a \$296,000 grant from the State Affordable Housing Trust Fund at its meeting in April. Local non-profit agency Mid Central Community Action (MCCA) will use the grant to provide homebuyer education and award cash grants to assist with down payment and closing costs to income-eligible families in the two counties.

"Governor Blagojevich understands that homeownership creates stable families, strong and prosperous communities and leads to a healthy state economy," said Kelly King Dibble, executive director of IHDA. "Under his leadership, IHDA has helped more than 6,000 working families become homeowners, with new programs such as the I-Loan Mortgage and I-Loan Certificate."

The latest round of IHDA funding marks an 11-year relationship between IHDA and MCCA, the principal organization in McLean and Livingston that receives State Affordable Housing Trust Fund money from IHDA to help eligible first time homebuyers. Since 1995, IHDA has allocated more than \$2.4 million in Trust Fund money to MCCA and has helped more than 670 families in the two counties buy their first homes. The locations of the families involved in the most recently board-approved project have yet to be determined. For those who think they may qualify for the program and wish to find out more, please contact Mid Central Community Action at 309-829-0691 or visit www.mccainc.org.

"Down payment and closing costs are two of the most common obstacles faced when buying a home. For many of the families we help, these funds for down payment and closing costs can mean the difference between securing their first home or not," said John Burrill, executive director of MCCA. "We value our partnership with IHDA. Together we will continue to help homeownership become a reality for hundreds of families in McLean and Livingston counties for many more years to come."

“The program helped bring stability to me and my family,” said Jack Hendricks, husband and father of three teenage sons in McLean County. The Hendricks Family was one of the first families to participate in the program through MCCA, back in 1995. The family of five lived in a cramped, two-bedroom rental apartment and survived on a salary of \$6.10 an hour. They received a grant to help with the down payment and closing costs, and were able to buy a five-bedroom home. “The boys were very excited to get their own rooms and a backyard to run around in,” recalled Mr. Hendricks. “It’s made a big difference in our lives.”

Families who earn less than 50 percent of the area median income (AMI) can receive a \$5,000 grant under the program. According to current income guidelines set by the Department of Housing and Urban Development, in McLean County this means an annual income of no more than \$36,750 for a family of four. In Livingston County, the limit is \$28,850. Similarly, families who earn less than 80 percent of AMI are eligible for a \$3,000 grant. A family of four with a household income not exceeding \$58,800 in McLean County would qualify, as would a family of four earning less than \$46,150 in Livingston County.

Gov. Blagojevich is the first Illinois governor in history to require the comprehensive coordination of the state’s housing programs. The 2005 Comprehensive Housing Plan, created by the Governor’s Housing Task Force, allowed for affordable housing funds at several state agencies to be strategically expended to ensure that assistance is reaching those families who need it the most. The Governor’s 2005 Executive Order identified six groups of people with specific housing issues as priorities for affordable housing, including families who earn below 50% and 30% of median income.

Down payment and closing cost assistance is just one of the many programs offered by IHDA to assist first time homebuyers secure affordable homes. The Authority provides below-market rate interest loans under the I-LOAN Mortgage program, and also helps increase homeownership by allocating funding for mortgage and renovation loans. As stated in the 2005 Illinois Comprehensive Housing Plan Progress Report released last month, in calendar year 2005, 2,074 low and moderate-income first-time homebuyers in more than 80 counties across Illinois received \$217 million in assistance under IHDA’s I-Loan Mortgage and Certificate programs to purchase their own homes.

Since 2003, IHDA has helped approximately 2,000 families across Illinois pay the down payment and closing costs of their first homes with \$15.5 million in funding. Of these, approximately 300 families live in McLean and Livingston.

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.