



OFFICE OF THE GOVERNOR

# NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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## **Governor Blagojevich’s G-I Loan for Heroes homeownership program receives national recognition**

*Governor has invested \$30 million to provide low-interest home loans, closing cost assistance, and homeownership counseling to Illinois veterans and active duty members*

**CHICAGO**– The National Council of State Housing Agencies (NCSHA) this week recognized Governor Rod R. Blagojevich’s *G-I Loan for Heroes* homeownership program for outstanding achievement in affordable housing. The program has already invested \$30 million dollars to provide low-interest loans, closing cost assistance, and homeownership counseling and has so far helped approximately 200 veterans and active duty personnel. The Special Achievement award was presented to the Illinois Housing Development Authority (IHDA) at the NCSHA annual conference in New Orleans.

“We work hard in Illinois to give back to the men and women who serve or have served our country, and it really says something about our commitment to veterans when a program like the *G-I Loan for Heroes* is recognized on a national level. *G-I Loan for Heroes* is making a real difference in helping Illinois veterans and active duty members achieve the American Dream of homeownership and I hope other states can look at Illinois as an example when trying to find ways to improve the quality of life for their veterans,” said Gov. Blagojevich.

“As an Iraq Veteran, I know first-hand the struggles one goes through when he or she returns to civilian life. One of those struggles many of our young service members experience is affording a home for their family - and that is why the *G-I Loan for Heroes* program is so deserving of this award,” said Illinois Department of Veterans’ Affairs Director Tammy Duckworth. “Thanks to the Governor’s leadership, Illinois truly sets an example for other states to follow and I’m so pleased to be part of an Administration that goes above and beyond to take care of its Veterans. We are here and will be here to help our service men and women get back on their feet when they return home.”

“The Illinois Housing Development Authority is honored to accept the NCSHA’s Special Achievement Award on behalf of Gov. Blagojevich and the state of Illinois. This award represents the important

leadership of our Governor in guiding IHDA's work to create and preserve affordable housing across the state," said DeShana L. Forney, IHDA Executive Director.

The prestigious award is presented to housing finance agencies (HFAs) that successfully create and implement a project, program, or action that "respond(s) in an outstanding manner to an important state need; (has) a significant impact on a population, geographic area, or economy; and cut(s) across traditional program lines."

Special Achievement entries are judged on the degree to which they are innovative, respond to an important state need, achieve intended results, and provide benefits that outweigh costs.

"NCSHA received more entries than any other category making the Special Achievement award the most competitive. IHDA's creative approach to designing the G-I Loan for Heroes program was what caught the judges' attention. IHDA also demonstrated that it went above and beyond to offer a comprehensive package to Illinois' veterans and active duty members. We congratulate Governor Blagojevich on this special achievement and hope other HFAs will emulate Illinois' success with this model," said Barbara J. Thompson, NCSHA Executive Director.

The NCSHA is a national, non-profit organization that represents state HFAs across the nation. It presents annual awards for exceptional housing programs in six categories: homeownership, rental housing, special needs housing, management innovation, communications, and special achievement. The NCSHA's conference and awards are a platform to inspire HFAs by showcasing the country's most successful housing programs.

The *G-I Loan for Heroes* program offers veterans and active duty personnel a low-interest rate first mortgage for 80 percent of the purchase price and an interest-free second mortgage for 20 percent of the purchase price, up to \$40,000. Effective interest rates for the combined mortgages could be as low as 5.125 per cent in some cases. The mortgages are 30-year, fixed interest rate loans providing long term security for homebuyers. Participants under the program may also receive a grant up to \$2,500 to help with closing costs and free homeownership counseling, which is compulsory.

Illinois is the first state in the nation to provide a comprehensive homeownership package to qualifying former and current service men and women who are working hard to provide for them and their families. The *G-I Loan for Heroes* offers the opportunity for affordable, secure financing to help veterans and active duty service men and women make good financial decisions.

Launched last May as a \$15 million pilot mortgage program, the *G-I Loan for Heroes* helped 115 Illinois veterans and active duty members secure low-interest mortgages, closing cost assistance, and homeownership counseling during the program's first four months. Following the success of the program, Gov. Blagojevich announced an additional \$15 million in funding on September 4, 2007.

IHDA administers the program on behalf of the state, working with the Illinois Department of Veterans Affairs to market and promote the program.