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News Release

Illinois Housing Development Authority educates local lenders on I-Loan Mortgage program giving first time homebuyers access to \$200 million in state funds

Homebuyers in the north central counties of Illinois will benefit as more than 30 local mortgage lenders sign up for today's Peoria training seminar

PEORIA – The Illinois Housing Development Authority (IHDA) conducted a free regional training seminar today in Peoria to teach local lenders how to access \$200 million Governor Rod R. Blagojevich committed to the state I-Loan Mortgage program in June. The seminar was aimed at helping families in the north central counties of Illinois buy their first homes. More than 30 loan officers representing 15 local banks, savings and loan associations and credit unions in Peoria, Knox, Fulton and Tazewell counties registered for Thursday's three hour seminar.

"Gov. Blagojevich has asked IHDA to expand the homeownership options for Illinois families. We need to make sure that the \$200 million the Governor 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 rate, the I-Loan Mortgage is an excellent option for first-time homebuyers," said Kelly King Dibble, executive director of IHDA.

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.

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 mortgage interest.

“National City Mortgage has offered the I-Loan Mortgage and I-Loan Certificate to its customers for more than 20 years now,” said Marlin Miller, Illinois Specialty Lending Manager at National City Mortgage. “Already this year, we have processed more than 70 I-Loans. Together with IHDA, we are proud 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 Certificate. This includes 28 lenders in more than 40 branches in Peoria County. First-time homebuyers in Illinois can find more information about the I-Loan Mortgage and the 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 who attended today’s training seminar at the Radisson Hotel learned about the state I-Loan Mortgage and Certificate program, who qualifies for it and the process that gets IHDA to buy the loan from the lender. 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 programs with nearly \$620 million in financing. In total, 146 homebuyers in Peoria County were able to take advantage of \$10.3 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, 25 families live in Peoria County and used nearly \$1.7 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.