

Program Requirements

	<u>30 Year Fixed Rate Loan</u>	<u>Tax Credit Advance Loan</u>
Eligibility	Income limits apply. See THIS FILE for details.	Must qualify and secure a Home Start 30 Year Fixed Rate Loan.
Loan amount	Based on IHDA's program guidelines. See THIS FILE for purchase price limits.	3.5% of purchase price with a maximum loan amount of \$6,000. This loan must be used towards the down payment.
Homebuyer's investment	Homebuyer must contribute one percent of the purchase price or \$1,000, whichever is greater, to the transaction. This may be used towards the closing costs.	
Exclusions	May not be used with a Mortgage Credit Certificate (MCC).	May not be combined with other grant sources funded by the Illinois Affordable Housing Trust Fund or federal HOME funds.
Occupancy	Property must be occupied as the homebuyer's primary residence within 60 days of closing. Homebuyer must maintain occupancy for the life of the loan.	The Internal Revenue Service (IRS) requires a rebate of the federal tax credit if residency is not maintained for 36 months.
Fee	Normal and customary fees will apply. Please discuss with the lender.	\$300 due at closing. Fee may be netted out of proceeds of the tax advance loan. \$100 will be refunded if the loan is repaid in full by June 30, 2010.
Terms of Loan	30 year fixed interest rate. As of July 17, 2009, the interest rate is 6 percent and is subject to change in market conditions.	0% interest through June 30, 2010. If there is an unpaid balance at that date, the loan becomes a ten year amortizing loan with an interest rate at 0.5% above the rate on the 30 Year Fixed Rate Loan.
Eligible property	Existing one-unit, single family properties.	Existing one-unit, single family properties.
Underwriting	Must include second mortgage payment in total housing expense ratio. The income certifications and other required	

	documents will be reviewed by the IHDA Compliance Officers.	
FICO (credit) score	660 minimum	
Loan to Value (LTV) Ratio	96.5%	
Combined Loan to Value (CLTV)	100%	
Ratios	41% back-end debt to income ratio. *	
Prepayment	Prepayment is allowed	Due in full upon payoff or re-finance of the first mortgage.
Loan Servicer	U.S. Bank Home Mortgage	U.S. Bank Home Mortgage
Homebuyer education	Mandatory	Mandatory
Deadline	No deadline, based on market conditions.	Home purchase and mortgage loan must close on or before November 30, 2009. **
How to apply	Contact an IHDA partner lender. See THIS PAGE to find a list of lenders.	Homebuyer will need to claim the tax credit on their 2008 or 2009 federal tax return using Form 5405. Visit www.irs.gov for more details.

* The back end ratio, also known as the total expense ratio indicates the percentage of household income that is used to pay all recurring debt payments. These expenses include all housing expenses described above as well as payments for other debts including car loans, credit cards, student loans, child support, alimony, and other legal judgments. Also included will be payments that may occur on the tax advance loan if it is not repaid by June 30, 2010.

** The Illinois Housing Development Authority reserves the right to terminate the program prior to the scheduled end date.