



OFFICE OF GOVERNOR PAT QUINN

# NEWS

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## **Governor Quinn Launches Down Payment Program**

### *Program to Help First-time Buyers Achieve Homeownership*

CHICAGO – October 30, 2009. Governor Pat Quinn today launched an affordable homeownership program to provide down payment assistance to eligible first-time homebuyers and Veterans. The program comes at a time when housing prices and interest rates have dropped to historic lows, creating new homeownership opportunities for families across Illinois.

“It is important that we do everything we can to create affordable homeownership opportunities, especially during these tough economic times,” said Governor Quinn. “This important new program will help first-time buyers and Veterans in Illinois achieve the American dream of owning a home.”

The new Home Start Down Payment Assistance Loan provides buyers with money for down payment at the time of home purchase. Borrowers who qualify for the Illinois Housing Development Authority’s (IHDA) 30-year fixed-rate Home Start mortgage can now apply for a second, forgivable loan for 3 percent of the purchase price, up to a maximum of \$6,000.

“Down payment assistance saves families money so they can cover other financial needs,” said Gloria L. Materre, IHDA Executive Director. “This new addition to the Home Start program continues Governor Quinn’s efforts to enable Illinois’ hardworking residents to buy a home affordably and securely.”

IHDA created the new assistance loan as a result of a recent federal initiative to help housing finance agencies nationwide in expanding programs that encourage affordable homeownership. With the comprehensive Home Start homebuyer package, Illinois residents can combine the federally insured 30-year Home Start loan with the new Home Start Down Payment Assistance Loan. IHDA expects to help approximately 2,000 homebuyers with down payment assistance over the next year.

Veterans need not be first-time homebuyers to qualify for the new down payment assistance program. Eligible Illinois residents can receive a zero-interest loan for 3 percent, or up to \$6,000 of the home purchase price to put toward the down payment. This second loan is forgivable over 10 years if the homebuyer remains in the house.

In addition to the down payment assistance, the homebuyer must contribute at least 1 percent, or \$1,000 toward the purchase price. Homeownership counseling is required through a HUD-certified counselor. Homebuyers interested in applying for a Home Start Loan should contact an IHDA partner lender to determine if they qualify. Home Start qualifications and a list of lenders are available at [www.ihda.org](http://www.ihda.org).

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