



Illinois Homeownership Program for Veterans and Active Service Personnel Sponsored by Illinois Housing Development Authority





Program Summary

Project Description: The revised Illinois Housing Development Authority Homeownership Program for Veterans and Active Service Personnel would offer a discounted IHDA homeownership financing and counseling package. There are two Programs packages, one for Veterans and one for active duty personnel. **This is a home purchase program. These loans are not available for re-financing purposes.**

Veterans' Program

The Veteran's Program is designed for honorably discharged Veterans who qualify under the income and purchase price limits of the IHDA MRB Program. Participants will receive a discounted IHDA rate financing package, closing cost assistance and homeownership counseling. In addition, under federal legislation passed in December 2006, Veterans do not have to be first time home buyers to qualify.

An eligible Veteran may receive the following for the purchase of a residence:





-  A MRB mortgage for 80% of the purchase price of the residence.
-  A second mortgage for 15% of the purchase price in an amount up to \$30,000.
-  A grant for the closing costs in an amount up to \$2,500.
-  Homeownership counseling.

The Veteran must make a minimum down payment of 5% of the purchase price.

Active Duty Program

The Active Duty program is designed for active duty service personnel. Under this program, they will receive the same package as the Veterans, except they must qualify as a first time homebuyer under the IHDA MRB Program.

The active duty personnel may receive the following for a purchase of a residence:

-  A MRB mortgage for 80% of the purchase price of the residence.
-  A second mortgage for 15% of the purchase price made from Housing Bonds Restricted Funds in an amount up to \$30,000.
-  A grant for the closing costs in an amount up to \$2,500.
-  Homeownership counseling.

Financing Structure:

A first mortgage up to 80% of the total financing under the current I-Loan Mortgage program.

A second mortgage up to 15% of the total financing (with a cap of \$30,000) at 1% below the rate on the first mortgage.

The anticipated blended interest rate on the two mortgages will be approximately .50% below the IHDA standard rate.

Private mortgage insurance may be necessary in certain cases.

A minimum FICO score of 620.

Each Borrower must make a down payment of 5% of the purchase price.

IHDA will make a grant for normal and reasonable closing costs up to \$2,500.

Income and Purchase Price Limits:

Standard IHDA MRB guidelines apply.

Participant Eligibility:

Veterans and active duty federal military personnel. Reserve forces must have been federally activated to duty for purposes other than military schools, Active Duty for Training (ADT), natural disasters or domestic civil disturbances to qualify.

Participant and others listed on the mortgage are subject to credit review.

Participant(s) must attend homeownership counseling sessions.

Property Eligibility:

-  Must be the borrower's principal residence
-  1 to 2 unit properties