

**NOTICE OF ISSUANCE OF MORTGAGE CREDIT
CERTIFICATES**

The Illinois Housing Development Authority (the "Authority") gives notice that it intends to issue mortgage credit certificates beginning September 24, 2009. For a period of one year, the mortgage certificate program (the "Program") will be available only to individuals who intend to purchase single family residences in the municipalities of Aurora, Berwyn, Champaign, Joliet, Moline, Oak Park, Quincy, South Holland, Sycamore, and Urbana, all in the State of Illinois; after that one year period, the Program will be available to all residents of the State of Illinois.

The Authority will administer the Program through lenders serving or willing to serve all the parts of the State of Illinois. Any lender willing to enter into an agreement with the Authority may participate in the Program. Individuals interested in obtaining a mortgage credit certificate should apply to a participating lender. A list of those participating lenders can be obtained from the Authority by calling the number given below or by going to the Authority's website, www.ihda.org.

A mortgage credit certificate entitles a holder to claim a credit each year against federal income taxes for a specified percentage of the annual interest on a mortgage loan secured by a qualifying residence. To qualify for a mortgage credit certificate in connection with the purchase of a residence, a prospective buyer must satisfy several criteria. Generally, the buyer cannot have had an ownership interest in his or her principal residence for three (3) years prior to the date of purchase of the new residence. Also, the buyer must intend to occupy the new residence as his or her principal residence within sixty (60) days of closing. Third, the buyer must meet certain family income limits and residence purchase price limits, both of which vary depending on family size and the county in which the residence to be purchased is located. More specific information about these requirements can be obtained by calling the telephone number given below. Finally, the mortgage on the residence must be a new mortgage; and generally cannot replace the buyer's existing mortgage on the residence, or any other type of seller financing for the buyer, such as an installment contract.

If a buyer meets these requirements, the Authority will reserve a mortgage credit certificate in an amount not less than twenty percent (20%) of the interest on the proposed mortgage loan and issue a commitment to the buyer in that amount. When the mortgage loan on the residence is closed, the Authority will issue the mortgage credit certificate to the buyer.

Persons interested in obtaining additional information about the mortgage credit certificate program should call the Authority's Home Line at 1-800-942-8439 between the hours of 8:30 AM and 5:00 PM on weekdays, or write to the Public Affairs Department, Illinois Housing Development Authority, 401 N. Michigan Avenue, Suite 700, Chicago, Illinois 60611, or go to the Authority's website, www.ihda.org.

DeShana L. Forney, Executive Director
Illinois Housing Development Authority