

IHDA Access Forgivable

MORTGAGE
4% DPA / \$6,000



PURPOSE	To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 4%. This Down Payment Assistance (DPA) is offered as a recorded forgivable 2 nd mortgage for qualified borrowers.
DATE	Reservations for IHDA Mortgage – Access 4%, opened in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).
USAGE	The funds provided are in the form of a forgivable 2 nd mortgage for an owner occupied, primary residence purchase. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed \$250 + plus any amount over their required minimum investment (any additional should be principal reduction).
DOWN PAYMENT ASSISTANCE	The DPA or “assistance” amount shall be recorded as a 2 nd lien and may be used to cover down payment and/or closing costs. Assistance is limited to 4% of the purchase price up to \$6,000 . The 2 nd mortgage shall be forgiven pro rata on a monthly basis over a 10-year forgiveness period. The 2 nd mortgage may not be re-subordinated.
2ND MORTGAGE PAYMENT	No monthly payment due. Full repayment is required following certain qualifying repayment events. (Review Mortgage and Note for full terms.)
INTEREST RATE (SET BY IHDA)	<u>Daily IHDA rates apply</u> on the 1 st mortgage. The 2 nd mortgage carries 0% interest.
MINIMUM BORROWER INVESTMENT	The greater of 1% or \$1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or \$1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the <u>Program Matrix and IHDA Procedural Guide</u> for details. The 2nd mortgage funds will be forgiven pro rata on a monthly basis over a 10-year forgiveness period. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage.
REPAYMENT AND RECAPTURE	The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage. Both may be subject to repayment or recapture depending on terms of Recapture Notice.
ELIGIBILITY	<ul style="list-style-type: none">• Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois.• Minimum credit score - 640 for all loan types• FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only<ul style="list-style-type: none">○ AUS Approve/Eligible or Accept/Eligible findings required○ Manual Underwrites – See Procedural Guide details• Maximum total debt-to-income (back end) ratio of 45.00% for all loan types• IHDA income and property purchase price limits apply• Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency)• Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable• MCC Opt Out form must be signed (PTC)• No manufactured homes Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.
INCOME REQUIREMENT	Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on <u>The Document Library</u> to qualify for IHDA Mortgage DPA.
DISCLOSURE OF FUNDS	All 1 st and 2 nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2 nd mortgage, only recording fees are allowed.

DISCLAIMER

The terms and conditions are subject to change until the lender locks the loan in ILRSS. A potential borrower should contact an approved lender for further loan information. In connection with the IHDA Down Payment Assistance programs, the IHDA makes no promises, representations, or warranties to any party, including any borrower, about the actual benefit an IHDA loan might provide in specific situations. Each borrower’s situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan.



FINANCING THE CREATION AND PRESERVATION OF AFFORDABLE HOUSING IN ILLINOIS.

PURPOSE	To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 5%. This Down Payment Assistance (DPA) is offered as a recorded 2 nd mortgage for qualified borrowers.
DATE	Reservations for IHDA Mortgage – Access 5% opened in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).
USAGE	The funds provided are in the form of a deferred 2 nd mortgage for an owner occupied, primary residence purchase. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed \$250 + plus any amount over their required minimum investment (any additional should be principal reduction).
DOWN PAYMENT ASSISTANCE	The DPA or “assistance” amount shall be recorded as a 2 nd mortgage and can be used to cover down payment and/or closing costs. Assistance is limited to 5% of the purchase price up to \$7,500 . The 2 nd mortgage term shall be 30 years. The full principal balance of \$7,500, less any optional payments, is due upon the sooner of the maturity date or repayment of the 1 st mortgage. The 2 nd mortgage may be pre-paid at any time without penalty. The 2 nd mortgage may not be re-subordinated.
2ND MORTGAGE PAYMENT	No monthly payment due. Full repayment of the 2 nd will be due upon the sooner of the maturity date or repayment of the 1 st mortgage (including refinance or sale of the property), or other qualifying repayment events. (Review Mortgage and Note for full terms.)
INTEREST RATE (SET BY IHDA)	<u>Daily IHDA rates apply</u> on the 1 st mortgage. The 2 nd mortgage carries 0% interest.
MINIMUM BORROWER INVESTMENT	The greater of 1% or \$1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or \$1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the <u>Program Matrix and IHDA Procedural Guide</u> for details.
REPAYMENT AND RECAPTURE	The 2nd mortgage funds will be repaid at 30 years, unless repaid sooner, or in the event of a refinance or sale. IHDA will release lien when the amount is paid in full. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage. The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage. Both may be subject to repayment or recapture depending on terms of Recapture Notice.
ELIGIBILITY	<ul style="list-style-type: none"> • Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois. • Minimum credit score - 640 for all loan types • FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only <ul style="list-style-type: none"> ◦ AUS Approve/Eligible or Accept/Eligible findings required ◦ Manual Underwrites – See Procedural Guide details • Maximum total debt-to-income (back end) ratio of 45.00% for all loan types • IHDA income and property purchase price limits apply • Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency) • Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable • MCC Opt Out form must be signed (PTC) • No manufactured homes <p>Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.</p>
INCOME REQUIREMENT	Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on <u>The Document Library</u> to qualify for IHDA Mortgage DPA.
DISCLOSURE OF FUNDS	All 1 st and 2 nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2 nd mortgage, only recording fees are allowed.

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IHDA Access Repayable

MORTGAGE

10% DPA / \$10,000



PURPOSE	To assist homebuyers with down payment and/or closing costs associated with purchasing a home in the State of Illinois. The Illinois Housing Development Authority (IHDA) IHDA Mortgage offers Access 10%. This Down Payment Assistance (DPA) is offered as a recorded 2 nd mortgage for qualified borrowers.
DATE	Reservations for IHDA Mortgage – Access 10% open in February 2018 and will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).
USAGE	The funds provided are in the form of a repayable 2 nd mortgage for an owner occupied, primary residence purchase. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage. Please Note: with all IHDA Mortgage programs, cash back at closing for borrowers may not exceed \$250 + plus any amount over their required minimum investment (any additional should be principal reduction). The DPA or “assistance” amount shall be recorded as a 2 nd mortgage and can be used to cover down payment and/or closing costs. Assistance is limited to 10% of the purchase price up to \$10,000 . The 2 nd mortgage term shall be 10 years. The full principal balance shall be repaid monthly over the 10-year term at 0% interest. The 2 nd mortgage may be paid off at any time prior to maturity and carries no pre-payment penalty. The 2 nd mortgage may not be re-subordinated.
DOWN PAYMENT ASSISTANCE	
2ND MORTGAGE PAYMENT	$2^{\text{nd}} \text{ Mortgage Amount} \div 120 \text{ months} = \text{Monthly Payment Amount}$ (Review Mortgage and Note for full terms.)
INTEREST RATE (SET BY IHDA)	<u>Daily IHDA rates apply</u> on the 1 st mortgage. The 2 nd mortgage carries 0% interest.
MINIMUM	The greater of 1% or \$1,000 of the purchase price. (The borrower may not use the tax proration toward the borrower’s contribution of 1% or \$1,000.00 (whichever is greater) into the transaction, those funds must be from the borrower’s own funds or from gift funds if allowable by the AUS.) Please defer to the <u>Program Matrix and IHDA Procedural Guide</u> for details. The 2nd mortgage funds will be repaid monthly amortizing over 10-years at 0% interest rate. For example, at the full \$10,000 the payment would be \$83.33/month. The DPA 2 nd is required to be used in conjunction with an IHDA 30-year fixed rate 1 st mortgage. The 1st mortgage will carry a 30-year term and must be insured by FHA, guaranteed by VA or USDA, or carry Private Mortgage Insurance as may be required for FNMA HFA Preferred or FHLMC HFA Advantage. Both may be subject to repayment or recapture depending on terms of Recapture Notice.
REPAYMENT AND RECAPTURE	
ELIGIBILITY	<ul style="list-style-type: none">• Borrowers can be a first-time homebuyer or non first-time homebuyer in Illinois.• Minimum credit score 640 for all loan types• FHA, VA, USDA, FNMA HFA Preferred, FHLMC HFA Advantage only<ul style="list-style-type: none">◦ AUS Approve/Eligible or Accept/Eligible findings required◦ Manual Underwrites – See Procedural Guide details• Maximum total debt-to-income (back end) ratio of 45.00% for all loan types• IHDA income and property purchase price limits apply• Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units as allowed by Agency)• Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable• MCC Opt Out form must be signed (PTC)• No manufactured homes <p>Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.</p>
INCOME REQUIREMENTS	Borrower’s income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted on <u>The Document Library</u> to qualify for IHDA Mortgage DPA.
DISCLOSURE OF FUNDS	All 1 st and 2 nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). On the 2 nd mortgage, only recording fees are allowed.

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FINANCING THE CREATION AND PRESERVATION OF AFFORDABLE HOUSING IN ILLINOIS.

IHDA Mortgage Credit Certificate

(MCC)

25% Tax Credit (up to \$2,000)



PURPOSE	Homebuyers who qualify for the program receive a MCC from the Illinois Housing Development Authority (IHDA), as authorized by the IRS, which can be used to reduce their household's tax burden every year for the life of their mortgage loan. IHDA does not and cannot offer tax advice. Please speak to your tax advisor and/or Lender for specific information.
DATE	Reservations open for closings on or after 9/1/2018 – in conjunction with an IHDA Access Program. Available until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).
USAGE	With a MCC, a percentage of what the homeowner pays in mortgage interest (25%) becomes a tax credit that can be deducted dollar-for-dollar from his/her yearly income tax liability (up to \$2,000). The remaining 75% of the mortgage interest continues to qualify as an itemized tax deduction, as long as the homeowner has sufficient tax liability.
FEES	\$350.00 - Payable to Illinois Housing Development Authority \$150.00 - Optional fee that may be charged by the originating lender.
RECAPTURE TAX	Recipients of the MCC may be subject to a federal recapture tax if the property is sold during the first 9 years.
REISSUANCE	If a borrower currently has an MCC on their primary residence, and the borrower refinances their 1 st mortgage loan, they may request reissuance of their MCC as long as the home remains their primary residence.
ELIGIBILITY	<ul style="list-style-type: none">• Borrowers must qualify for a 1st mortgage through an IHDA participating lender and use an IHDA Access Program• Borrowers must be a first-time homebuyer (or Exempt*) in Illinois• Minimum credit score:<ul style="list-style-type: none">○ 640• Maximum total debt-to-income (back end) ratio of 45.00% for all loan types• IHDA MCC income and property purchase price limits apply• Property must be a qualified single family dwelling (this includes condos, townhomes, and 2-units)• Pre-purchase homeownership counseling is required for each borrower - PRIOR TO CLOSE (PTC) or the loan is unsaleable• Property must be a qualified dwelling situated on less than 5 acres of land <p>(*Exempt = a qualified veteran (borrower must be a veteran), or property is in a targeted area. Note that if only the spouse is a veteran, the spouse must also be a borrower/mortgagor and obligated on the Note.)</p> <p>Borrowers must meet all eligibility requirements established for the IHDA Mortgage programs, U.S. Bank overlays, and Agency guidelines.</p>
INCOME REQUIREMENT	Borrower's income must be at or below the limits of the county in which the property is located. The lenders must calculate income using the calculator posted in the Document Library to qualify for IHDA Mortgage Access DPA.
DISCLOSURE OF FUNDS	All 1 st and 2 nd mortgages require TRID (TILA-RESPA-INTEGRATED DISCLOSURE). The fees associated with the MCC must appear on the 1 st Mortgage CD. On the 2 nd mortgage, only recording fees are allowed.

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