To assist borrowers by providing up to $50,000 to be applied to their first mortgage balance, thereby putting borrowers who meet the program requirements in a positive equity position.

**DATE**
IHDA Mortgage – I-Refi Reservations opened in August 2016 and will run until Illinois Housing Development Authority (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 promissory note and recapture agreement for an owner occupied, primary residence purchase. The promissory note is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage. Please Note: borrowers may receive no more than $250.00 plus the appraisal cost, back at closing.

**Assistance**
Provides **up to $50,000** with a forgivable three (3) year term through a promissory note and recapture agreement.

**2nd Mortgage Payment**
No monthly payment due. Forgiven after 3 years. Full repayment is required following certain qualifying repayment events. (Review Loan Documents for full terms.)

**Interest Rate (Set by IHDA)**
Daily IHDA rates apply on the 1st mortgage. The 2nd mortgage carries 0% interest.

**Repayment and Recapture**
The funds will be forgiven pro rata on a monthly basis over a 3-year forgiveness period. The promissory note and recapture is required to be used in conjunction with an IHDA 30-year fixed rate 1st mortgage.

**Eligibility**
- Approval by IHDA prior to close required
- Borrowers must currently own and occupy the property being refinanced
- Existing mortgage must have been paid on time for most recent 12 months
- Minimum credit score:
  - 640 FHA, VA, USDA, FNMA HFA Preferred only
  - AUS Approve/Eligible findings required
- Maximum total debt-to-income (back end) ratio of 45.00% for all loan types
- Initial Loan to Value of 110% or more as determined by current appraisal
- Final Loan to Value must be between 90-97% (cannot exceed 97% LTV, excluding UFMIFF)
- IHDA income and purchase price limits apply (property appraised value must be below purchase price limits)
- 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
- Dodd Frank certification is required
- 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 IHDA income calculator along with the I-Refi eligibility calculator (to verify initial 110% LTV, assistance amount, final LTV, and any cash borrower must bring to the table to close). Both are available on The Document Library to qualify.

**Disclosure of Funds**
Listed as a gift on DU.

**Disclaimer**
The terms and conditions are subject to change until the lender locks the loan in IRRSS. 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.**