Illinois Housing Development Authority Announces Application Deadline for the Hardest Hit Program

Homeowners have less than one week to apply for $35,000 in mortgage payment assistance before the program closes on April 30

CHICAGO – The Illinois Housing Development Authority (IHDA) is announcing the wind down of the Illinois Hardest Hit program, a federally funded initiative that helps those facing foreclosure to stay in their homes. Homeowners who are struggling to pay their mortgages due to unemployment, underemployment or financial hardship are encouraged to apply for up to $35,000 in mortgage payment assistance before the program closes on April 30. Interested homeowners can apply online for free at www.illinoishardesthit.org and will be automatically linked with a local housing agency that will answer questions, prescreen for eligibility and assist homeowners in preparing the application and assembling the required supporting documentation.

“The Hardest Hit program leverages federal dollars to keep families, seniors and persons with disabilities from becoming homeless,” said Governor JB Pritzker. “I encourage homeowners struggling to make their mortgage payments to act now and apply before the deadline to ensure they receive assistance and can stay in their homes.”

Originally launched in September 2011, the Hardest Hit program provides up to $35,000 in forgivable assistance to homeowners who have experienced a 15% reduction in income due to a qualifying financial hardship. Hardships include unemployment or underemployment, decrease or loss of business income, loss of income due to disability or health-related event, or the death or divorce of a spouse or titleholder of the house. The program reinstates delinquent mortgages by paying all mortgage arrearage, fees and penalties, and will and makes loan payments on behalf of the borrower for up to 12 months. The assistance lets eligible homeowners stay in their home while they work to regain employment and financial stability. As of April 2019, 20,147 Illinois families have received mortgage payment assistance through the program.

“Not only do foreclosures impact families, but they impact the entire neighborhood. I supported the creation and funding of the Hardest Hit Fund because I believe that we still have work to do to address problems in the housing market and to bring stability back to our communities,” U.S. Senator Dick Durbin (D-IL) said. “I encourage anyone who is currently struggling to make their mortgage payments to apply before the deadline.”
The U.S. Department of the Treasury established the Hardest Hit Fund in 2010 to provide targeted assistance to families in states hit hard by the economic and housing market downturn. HHF is funded through the Troubled Asset Relief Program (TARP) and Illinois was initially approved to receive $446 million in 2010. IHDA, as the state housing finance agency, was chosen to administer these funds. In December 2015, President Obama signed the 2016 Consolidated Appropriations Act (P.L. 114-113), which, through Senator Durbin’s leadership, transferred an additional $2 billion from TARP to the HHF program. After the completion of the two funding rounds, Treasury allocated $269 million in Hardest Hit Funds to Illinois, bringing the net funding received to over $715 million. As the state’s Housing Finance Agency, IHDA administers the program and used funds to create five foreclosure prevention and neighborhood stabilization programs to assist at-risk homeowners.

“While many states were recovering quickly from the housing crisis, Illinois was lagging behind,” said IHDA Executive Director Audra Hamernik. “As the administrator of the Hardest Hit program, I am proud to report IHDA has assisted over 20,100 homeowners across 101 of the 102 counties in Illinois since the program originated in 2011.”

Free applications for the program are available online through IHDA’s Illinois Hardest Hit website until April 30, 2019: www.illinoishardesthit.org.

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About the Illinois Housing Development Authority

IHDA (www.ihda.org) is a self-supporting state agency that finances the creation and the preservation of affordable housing across Illinois. Since its creation in 1967, IHDA has allocated $18 billion and financed approximately 255,000 affordable housing units for residents of Illinois.