

IHDA Advantage Subsidy (IAS) Fact Sheet



Freddie Mac (FHLMC) HFA Advantage Conventional Loans only

All Borrowers' AMI percentages must be based on the limits shown in the IAS Guide

PURPOSE	To assist homebuyers with purchasing a home in the State of Illinois using either an Access or 1 st HomeIllinois Down Payment Assistance (DPA) Programs. The Illinois Housing Development Authority (IHDA) offers this IHDA Advantage Subsidy (IAS) as an outright subsidy of either \$1,500 or \$2,500 (determined by AMI percentage as shown in the IAS Guide) for qualified borrowers.
DATE	IAS Reservations will be open starting July 22, 2019. Reservations will be closing as of February 1, 2020. Lenders are responsible for ensuring that these loans are purchased by U.S. Bank no later than April 1, 2020. This will run until IHDA has closed the program for reservations in the Internet Loan Reservation Servicing System (ILRSS).
SUBSIDY USAGE	The IAS funds can be used ONLY for a FHLMC Conventional Access or 1 st HomeIllinois mortgage loan with AMI below 80%. Regular DPA will be layered with this product (see Down Payment Assistance category below). The \$1,500 or \$2,500 does not apply to the minimum borrower contribution. Please Note: borrowers may receive no more than \$250.00 cash back at closing with all IHDA programs.
AMOUNT AND REIMBURSEMENT	<p>The IAS funds is strictly \$1,500 or \$2,500; no higher or lower amounts are allowed.</p> <ul style="list-style-type: none"> Low-Income Subsidy: Qualifying Income greater than 50% AMI* and less than 80% AMI* are eligible for a \$1,500 subsidy Very Low-Income Subsidy: Qualifying Income below 50% AMI* are eligible for an additional \$2,500 subsidy <p><i>*Based on percentages of AMI as shown in the IAS Guide</i></p> <p>Under the IAS, the lenders will advance the IAS funds at closing and the Master Servicer (U.S. Bank) will reimburse the lender directly when the purchasing 1st mortgage loan.</p>
DISCLOSURE OF FUNDS	For loans to be eligible, LPA must be run and issue an "Accept/Eligible." Lenders must enter the subsidy as a gift in LPA (no special code is needed). The IAS funds must be added to the Closing Disclosure on page 3 in section "L" as a separate line item (please contact U.S. Bank as the Master Servicer, for further instructions), identifying the funds as "IHDA Advantage Subsidy".
MINIMUM BORROWER CONTRIBUTION	The greater of 1% of the 1 st mortgage loan amount or \$1,000.00 as required by IHDA program guidelines. Please defer to the Program Matrix and IHDA Procedural Guide for details.
DOWN PAYMENT ASSISTANCE	The IAS is only available for borrowers who will be utilizing a 2 nd DPA loan from IHDA. This includes all 1 st HomeIllinois loans and any Access loan that will be taking the DPA 2 nd .
MORTGAGE CREDIT CERTIFICATE (MCC)	This program may be used in conjunction with a Mortgage Credit Certificate for eligible borrowers. Visit https://www.ihdamortgage.org/mcc for information on this tax incentive.
INTEREST RATE	Daily IHDA rates apply on the 1 st mortgage lien. The subsidy does not carry any interest.
REPAYMENT AND RECAPTURE	There is no repayment or recapture of IAS funds. Any repayment of the 2 nd mortgage still applies. Utilizing the IAS does not affect or supersede the terms of the Access or 1 st HomeIllinois DPA Programs.
ELIGIBLE BORROWERS	Borrowers must meet all eligibility requirements established for the Access or 1 st HomeIllinois programs, U.S. Bank overlays and FHLMC guidelines.
INCOME REQUIREMENT	Borrower's income must be at or below the limits of the county in which the property is located. Use Qualifying Income and compare it against the limits posted in this guide to qualify the borrower for the IAS
AUS	To be eligible, all loans utilizing this must be run through LPA as "HFA Advantage (eligible users only)" and receive an "Approved/Eligible" recommendation. DU is not acceptable.
OTHER	This product follows all underwriting overlays of U.S. Bank and Freddie Mac HFA Advantage. All other rules relating to the Access and 1 st HomeIllinois programs apply except where specifically noted in this document.

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.



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