

The Illinois HOME START Loan Program

for First Time Homebuyers

The Illinois Home Start Loan Program helps to make homeownership affordable for homebuyers wishing to purchase their first home. The Program offers two loans: the Home Start **30 Year Fixed Rate Loan** and an optional Home Start **Tax Credit Advance Loan**. The Illinois Home Start Loan Program is offered by the Illinois Housing Development Authority (IHDA) on behalf of the State of Illinois and is available through IHDA lending partners across the state.

HOME START 30 Year Fixed Rate Loan

What you get:

- 30 year loan
- Fixed interest rate
- Loan insured by the Federal Housing Administration (FHA)
- Option to use in conjunction with the Home Start Tax Credit Advance Loan Program.

Qualifications:

- First time homebuyer (except Veterans and active duty service personnel)
- Minimum credit score of 660
- Must be able to contribute 1% of the purchase price from their own savings, or \$1,000, whichever is greater.
- Must complete homebuyer education ***

Restrictions:

- Income and purchase price limits apply ***
- May not be used with a Mortgage Credit Certificate (MCC)

HOME START Tax Credit Advance Loan

How it works:

The Illinois Home Start Tax Credit Advance Loan allows first time homebuyers who plan to take advantage of the \$8,000 federal stimulus tax credit access to the refund to use for the down payment on their new home.

IHDA will make a 0% interest loan for up to 3.5% of the purchase price with a maximum loan amount of \$6,000. If the Tax Credit Advance Loan is repaid in full by June 30, 2010, only the first mortgage remains. Otherwise the Tax Credit Advance Loan will become a second position ten year amortizing loan at 0.5% above the interest rate on the Illinois Home Start 30 year loan.

Qualifications:

- Must qualify and secure a Home Start 30 Year Fixed Rate Loan
- First time homebuyer (except Veterans and active duty service personnel)
- Must complete homebuyer education ***

Restrictions:

- Must be used with the 30 Year Fixed Rate Loan
- Home purchase and mortgage loan must close on or before November 30, 2009
- May not be combined with other grant sources funded by the Illinois Affordable Housing Trust Fund or federal HOME funds
- Income restrictions apply ***

Fee:

A \$300 processing fee will be charged for each loan at closing. If the loan is repaid in full by June 30, 2010, \$100 of that fee will be refunded to the homebuyer.



How to apply: Contact an IHDA partner lender to apply ***

PLEASE NOTE: Participation in the Home Start Tax Credit Advance Loan program is entirely optional. Homebuyers *can* opt for just the Home Start 30 Year Fixed Rate Loan. However, participation in JUST the tax credit advance program is not permitted.

*** For more details, visit:
www.ihda.org

