



NOTICE

Important DPA Program Changes for 2012- Changes apply to applications received on or after January 3, 2012:

- 1) Down payment assistance funded from two sources 1) City of Peoria HUD HOME entitlement grant and 2) Illinois Housing Development Authority (IHDA) Trust Fund grant.
- 2) Amount of down payment assistance is still 20% of the purchase price of the home with a maximum of \$10,000. In addition, a \$500 closing cost allowance will be awarded per applicant for a total of \$10,500 (\$10,000 down payment and \$500 closing costs) in grant assistance.
- 3) A \$500 IHDA Administrative Fee is now assessed on grants originated after January 3, 2011. The fee will be collected by the City at property closing.
- 4) Mortgage Credit Certificates (MCC) are now **no longer required** for all new applications accepted on or after January 3, 2012. The City still encourages individuals to inquire about this tax benefit program with their lender.
- 5) The homebuyer must contribute \$1,000 in earnest money.
- 6) Applicants must be first-time homebuyers.
- 7) The affordability period/recapture restrictions on the grant will still be 5 years from date of property closing. The City will record a Deed Restriction to secure the 5 year period for the HUD HOME entitlement grant funds. IHDA will record a Recapture Agreement to secure the 5 year period for the Trust Fund grant. The City and IHDA 5 year period will run parallel with one another. The expense of recording the IHDA Recapture Agreement will be the responsibility of the applicant and will be payable at closing.
- 8) The applicant must complete an approved homebuyer education program prior to applying for down payment assistance. Contact the City for course information.

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