



ILLINOIS HOUSING DEVELOPMENT AUTHORITY

IHDA Team



I-REFI

Offers up to \$50,000 in refinance assistance

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

Active Programs Matrix - July 2016



HOMELLINOIS
mortgage



HOMELLINOIS
mortgage

1ST HOME ILLINOIS



	First-time homebuyers	NON first-time homebuyers	1stHomellinois	I-Refi
Purpose	Purchase - 1st time homebuyer	Purchase - non first-time homebuyers	Purchase - 1st time homebuyer ONLY in specified county ⁷	Refinance
Lien Position	1st	1st	1st	1st
Term	30 year fixed	30 year fixed	30 year fixed	30 year fixed
Mandatory buyer investment	Greater of 1% or \$1,000	Greater of 1% or \$1,000	Greater of 1% or \$1,000	n/a
MIN credit score¹	640, 660 FHA, 680 FNMA Conv >95% LTV	640, 660 FHA, 680 FNMA Conv >95% LTV	640, 660 FHA, 680 FNMA Conv >95% LTV	640, 660 FHA, 680 FNMA Conv >95% LTV
Max DTI	45.00% NO EXCEPTIONS	45.00% NO EXCEPTIONS	45.00% NO EXCEPTIONS	45.00% NO EXCEPTIONS ¹⁰
Loan type	FHA / VA / USDA / Conventional	FHA / VA / USDA / Conventional	FHA / VA / USDA / Conventional	FHA / VA / USDA / Conventional ⁹
Max LTV- FHA, VA, USDA, CONV⁵	96.5/100/100/97	96.5/100/100/97	96.5/100/100/97	Post Close LTV: ≥ 90% and ≤ 97% Pre Closing LTV: ≥ 110% ⁸
Eligible Borrower	1st time homebuyer or exempt ²	Non first-time homebuyers	1st time homebuyer or exempt ²	Qualified Homeowners
Max origination fees⁴	.5% + \$1200 (must be reasonable and customary)	.5% + \$1200 (must be reasonable and customary)	.5% + \$1200 (must be reasonable and customary) No title required for 2nd; only recording fee should be charged.	.5% + \$1200 (must be reasonable and customary)
Funds allowed to leave table	\$250.00	\$250.00	\$250.00	\$250.00
Fees to IHDA	MCC fee of \$350.00 (see options)	None	None	None (unless MCC to be reissued)
Property type⁶	Single Family (1 or 2 units, approved condo, townhouse)	Single Family (1 or 2 unit, condo, townhouse)	Single Family (1 or 2 unit, condo, townhouse (NO NEW CONSTRUCTION))	Single family (1 or 2 unit, approved condo, townhome) - MUST BE OWNER OCCUPIED PRIMARY RESIDENCE
Recapture	Yes (If MCC, recapture applies to MCC not 1st)	No	Yes	Yes
Housing Counseling	Required	Required	Required	Required
OPTIONS	1. Lender Paid MI 2. DPA optional 3. MCC optional (see rate sheet for price)	1. Lender paid MI 2. DPA optional (see rate sheet for price)	None	Borrower Paid MI (monthly). No Lender Paid MI
DPA repayment	\$5,000 DPA amortized over 10 year term; payment = \$41.67/mo.	\$5,000 DPA amortized over a 10 year term; payment = \$41.67/mo.	\$7,500 DPA forgiven after 5 years	Up to \$50,000 assistance forgiven after 3 years; promissory note and recapture agreement
IHDA Approval	Post Close	Post Close	Post Close	Prior to Close

HOUSING COUNSELING REQUIRED FOR ALL PROGRAMS ~~~~~ BORROWERS USING CONVENTIONAL (HFA) FINANCING CANNOT OWN OTHER REAL ESTATE AT CLOSE

1. IHDA minimum FICO = 660 FHA; 640 Conventional, VA and USDA; Conventional HFA preferred ≥ 95.01% requires 680 FICO or higher
2. Veterans and those buying in a targeted area are exempt from the first-time homebuyer requirement. Use the lookup tool at IHDA.org to identify targeted properties
3. Subject to calculations per FHA/HUD regulations
4. Fees are subject to CFPB limitations - No high costs mortgages permitted (lenders must follow US Bank HFA division requirements for HMPL)
5. Agency regulations apply for all, purpose of DPA is down payment
6. Conventional ≥ 95.01% LTV - Single family (1 unit) only (no condos, no 2 units, no manufactured) - Lenders can now underwrite their own 95.01% - 97% LTV conventional mortgages.
7. First Home Illinois is only available for properties in the following counties: Boone, Cook, DeKalb, Fulton, Kane, Marion, McHenry, St. Clair, Will, Winnebago
8. Borrower must be at LEAST at 110% LTV as determined by a current appraisal prior to close to qualify. Maximum post closing LTV may not exceed 97% NOT including the funding fee.
9. I-Refi must be run through AUS as DU HFA preferred (no manual underwrite) . FHA/USDA Streamlines, VA IRRLS, VA EEMs, and HARP loans will not be accepted.
10. Total house hold income must be ≤ county limit that the subject property is located in.





PROGRAM HIGHLIGHTS

- UP TO \$50,000 FOR PRINCIPAL CURTAILMENT AND REFINANCE
- 3-YEAR FORGIVENESS PERIOD
- RATE AND TERM REFINANCED TO 30 YEAR FIXED 1ST MORTGAGE
- INCOME LIMITS APPLY
- LIMITED FUNDS – ACT NOW!
EXPECTED TO HELP UP TO 1,800 ELIGIBLE HOUSEHOLDS



SINKING IN AN UNDERWATER MORTGAGE?

The **I-REFI** program offers up to **\$50,000** in federal assistance to buy down your mortgage and refinance you into an affordable loan.

REQUIREMENTS

- Current on your mortgage for at least 12 months
- Credit qualify for a new IHDA mortgage through a participating lender
- Be within IHDA's application income limits*

GET STARTED TODAY!

Find a participating lender at
www.ihda.org/IRefi or call 1-877-456-8656

*Home value, income and credit score limits apply



I-Refi

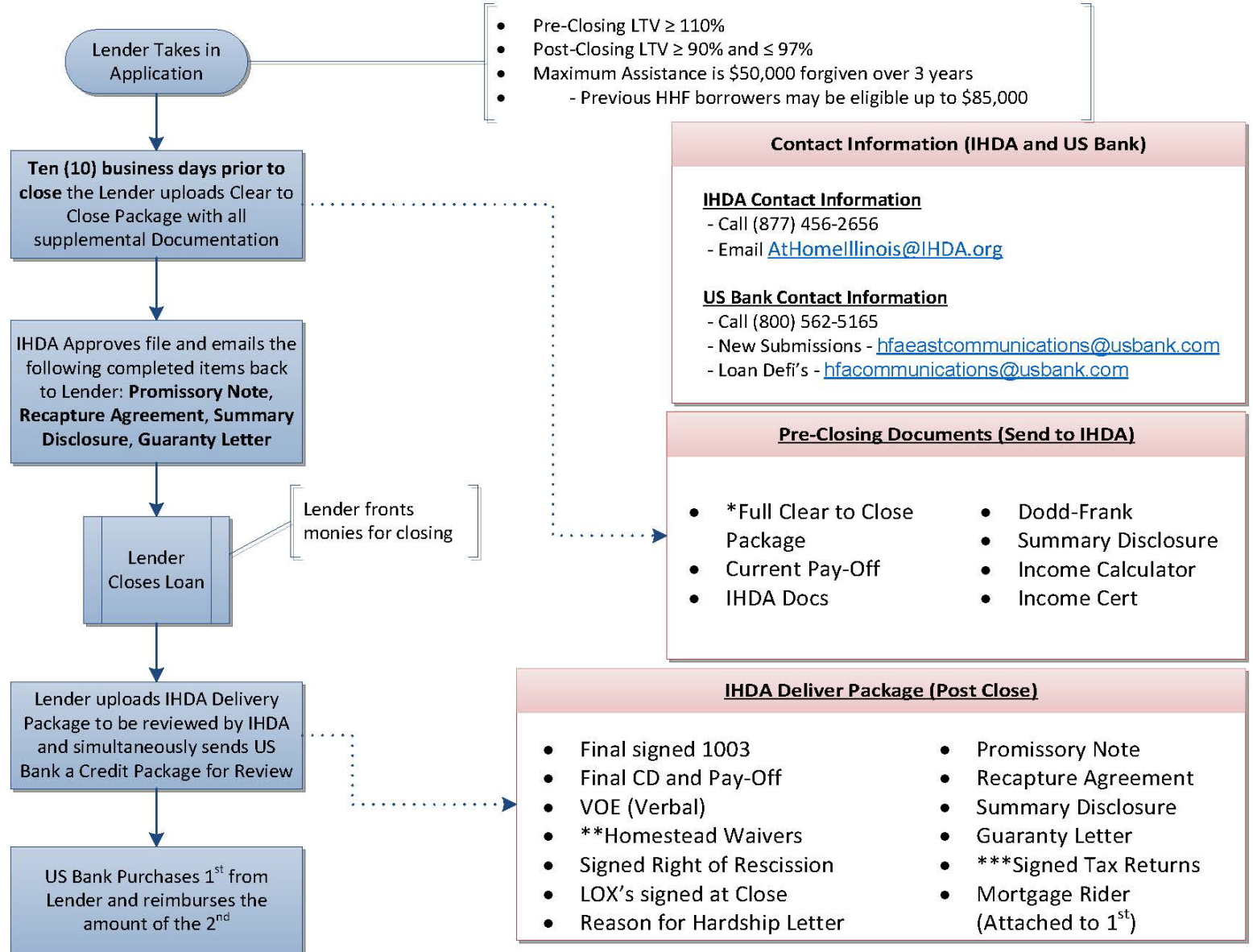
- AVAILABLE FOR HOMEOWNERS WITH AT LEAST 110% LTV – PRIOR TO ASSISTANCE
- MUST BE A 1-2 UNIT, OWNER-OCCUPIED PROPERTY WITH A FEE SIMPLE TITLE
 - **NO MANUFACTURED HOUSING PERMITTED!!!**
- MUST BE CURRENT ON EXISTING MORTGAGE(S)
- INCOME MUST BE WITHIN IHDA APPLICABLE LIMITS
 - NOTE: NEW LIMITS GO INTO EFFECT AUGUST 1ST, 2016
- CREDIT SCORE AT OR ABOVE 640
 - ENTER INTO DU AS A GIFT(SOURCE OF FUNDS)
 - (95.01% AND HIGHER REQUIRE 680 FOR FNMA PROGRAM)
 - FHA REQUIRES 660



I-Refi

- RATE AND TERM REFINANCE TO 30 YEAR FIXED 1ST MORTGAGE
 - CAN BE FHA, USDA, VA, OR FNMA HFA PREFERRED LOAN
 - MUST BE INSURED BY FHA, GUARANTEED BY VA OR USDA, OR CARRY PRIVATE MORTGAGE INSURANCE AS MAY BE REQUIRED FOR FNMA HFA PREFERRED PROGRAM
- HOMEOWNERSHIP COUNSELING REQUIRED (ON-LINE OR IN PERSON)
- NO MANUAL UNDERWRITE/NO HARP/NO IRRRL/NO STREAMLINE
 - FULL DOC , FULL APPRAISAL REQUIRED!
- POST-ASSISTANCE DTI 45% OR LESS
- POST-ASSISTANCE LTV MUST BE $\geq 90\%$ AND $\leq 97\%$
 - ALL LOANS SHOULD BE RUN AT 95% TO START
- UP TO \$50,000 TO REDUCE FIRST MORTGAGE TO ACCEPTABLE LTV
 - AN ADDITIONAL \$35,000 CAN BE PROVIDED TO BORROWERS WHO RECEIVED HHF ASSISTANCE THROUGH HELP FOR A TOTAL OF \$85,000 TO ELIGIBLE BORROWERS

Lender Process



- Pre-Closing LTV ≥ 110%
- Post-Closing LTV ≥ 90% and ≤ 97%
- Maximum Assistance is \$50,000 forgiven over 3 years
- - Previous HHF borrowers may be eligible up to \$85,000

Contact Information (IHDA and US Bank)

IHDA Contact Information
 - Call (877) 456-2656
 - Email AtHomellinois@IHDA.org

US Bank Contact Information
 - Call (800) 562-5165
 - New Submissions - hfaeastcommunications@usbank.com
 - Loan Defi's - hfacommunications@usbank.com

Pre-Closing Documents (Send to IHDA)

• *Full Clear to Close Package	• Dodd-Frank
• Current Pay-Off	• Summary Disclosure
• IHDA Docs	• Income Calculator
	• Income Cert

IHDA Deliver Package (Post Close)

• Final signed 1003	• Promissory Note
• Final CD and Pay-Off	• Recapture Agreement
• VOE (Verbal)	• Summary Disclosure
• **Homestead Waivers	• Guaranty Letter
• Signed Right of Rescission	• ***Signed Tax Returns
• LOX's signed at Close	• Mortgage Rider
• Reason for Hardship Letter	• (Attached to 1 st)

* Full Clear to Close Package includes: Appraisal, Title & Investor Package pursuant to "Lender Pre-Close Checklist"
 ** Only applies to Non-Borrowing Spouse
 *** If signed at Close



I-Refi - Process

- LENDER WILL COMPLETELY UNDERWRITE AND CLEAR FILE TO CLOSE
 - LENDER WILL UPDATE MITAS TO REFLECT CURRENT APPRAISAL, DEBTS, ETC. IN ALL REQUIRED SCREENS
 - LENDER WILL UPLOAD THE FILE TO IHDA
 - THIS SHOULD INCLUDE ALL IHDA DOCS WITH THE FOLLOWING EXCEPTIONS,
 - IHDA WILL APPROVE THE FILE AND SEND BACK TO LENDER A LETTER OF GUARANTY
 - » THIS IS VOID IF FOR ANY REASON THE RECORDED DOCUMENTS ARE NOT RECORDED AND EXECUTED
 - AT CLOSING
 - » IHDA WILL PROVIDE THE COMPLETED PROMISSORY NOTE AND RECAPTURE AGREEMENT (THE RECAPTURE AGREEMENT IS TO BE RECORDED AT/FOLLOWING THE CLOSING)
 - » IHDA WILL PROVIDE THE SUMMARY DISCLOSURE (EXECUTED BY THE HOMEOWNER)
 - AFTER CLOSING
 - » IHDA NEEDS THE ABOVE ITEMS UPLOADED TO US BANK VIA DOC VELOCITY AS WELL AS TO IHDA VIA MITAS
 - » LENDER WILL ALSO UPLOAD ENTIRE FILE VIA DOC VELOCITY
 - » LENDER WILL OVERNIGHT ORIGINAL TO US BANK FOR DELIVERY



- I-REFI Pre-Close Submission Checklist -

Lender Name: _____	Payoff Exp Date: _____	IHDA Loan #: _____	INSTRUCTIONS: 1. Complete form, use tabs to move down and space bar to check box. 2. If "SBO" item, it will prompt you to save a signed copy. 3. Include in IHDA Underwriting Upload.
Lender Contact: _____ <small>(For Conditions)</small>	Est. Close Date: _____	Lender Loan #: _____	
Lender Email: _____	Loan Type: _____	Borrower Name: _____	

REQUIRED DOCUMENTATION

- 1) TRID Initial LE (loan estimate)
 - a. Written list of providers
 - b. All Revised LE disclosures and supporting documentation
 - c. Initial CD (closing disclosure)
- 2) 1st mortgage payoff, good within 15 days of estimated closing or has per diem calculation
- 3) Variance calculation (off sheet or worksheet)
- 4) Name Affidavit/AKA statement
- 5) Title Commitment / Binder
- 6) Plat Drawing / Survey, (if applicable)
- 7) Tax Certification Sheet
- 8) Initial Escrow Account Disclosure
- 9) Standard Flood Hazard Determination
- 11) Notice of Assignment of Servicing Rights / RESPA no Anti-Steering Disclosure (if applicable)
- 12) Certification of Delivery of Values (ECCOA)
- 13) Uniform Residential Loan Application (URLA/1003) signed and dated by Interviewer – Initial 1003)
- 14) 1008 (FNMA)/1077 (Freddie) Transmittal Summary Amortization Schedule (if applicable)
- 15) Pay History (if applicable)
- 16) Automated Compliance Testing (if available)
- 17) Appraisal for subject property to include all pages
- 18) Appraisal Delivery Certification Ackn. Form
- 19) FNMA / FHLMC UCDF / SSR Submission Summary Report
- 20) Final Inspection(s) (if applicable)
- 21) FRCC Rate Spread Calc. Results (if HPML) Documentation of Lender Lock-in Date (if HPML)
- 22) AUS all pages
- 23) Copies of Underwriting Conditions
- 24) IRS W-9 (primary borrower only)
- 25) IRS 4506-T (8821 if self-employed)
- 26) Most recent year of tax transcripts
- 27) 3 years most recent fully executed tax returns for all borrowers and non-borrowing spouse OR transcripts from IRS
- 28) 30 days W-2 pay stubs (Borrower, spouse & HH occupant 18+) 2 years most recent
- 29) W-2/1099 (if applicable or per DUJP findings) (MOST RECENT year for IHDA)
- 30) 2 months bank statements all accounts w/VOD if applicable
- 31) Homebuyers Education Certificate
- 32) Compliance / Errors and Omissions Agreement
- 33) Landlord Counseling Certificate (if applicable)

FHA

- 34) HUD 92900 A to include pages 1-4 (Initial)
- 35) Important Notice to Homebuyer (92900B)
- 36) MI/Informed Consumer Choices Notification
- 37) FHA Case Query reflecting UFMP as received
- 38) FHA Case Number Assignment
- 39) LUTS 92900-LT with CAIVRS / LDP/GSA sections complete and marked "no"
- 40) Conditional Commitment with all requirements Loan must be FHA insured if > 90 days from close Lender Unit Certification form (if attached condo)
- 41) HUD-92561 (Hotel/Transient Use – required if 2 units)

VA

- 42) VA-26-1802A to include pages 1-2
- 43) COE (certificate of eligibility)
- 44) VA-26-1820 Report & Certification of Loan Disbursement
- 45) VA 26-6393 Loan Analysis
- 46) CAIVRS Authorization for all Borrowers
- 47) VA Notice of Value with all conditions
- 48) Borrower Certification and Authorization
- 49) VA Rider to Security Instrument (or 5 clauses)
- 50) VA-26-0592 Counseling Checklist (active duty only)
- 51) VA HUD-1/CD Itemization
- 52) Lender / Loan Quality Certification (Title 38 USC)
- 53) VA 26-1366 Commitment Cert. (if Prior Approval from VA)
- 54) Termite/Wood Destroying Insect/Soil Treatment (NPMA-33)

USDA

- 55) RD 3555-18 Conditional Commitment with all attachments /GUS Findings
- 56) 1008 Underwriting Transmittal
- 57) RD 3555-19 Guaranteed Loan Closing Report
- 58) RD 3555-21 Request for SFH Loan Guarantee
- 61) RD 3555-17 Loan Note Guarantee (if > 90 days from close)

IHDA

- 62) Dodd Frank HMF Certification
- 63) Signed Lender Tax code compliance certification
- 64) Income certification
- 65) IHDA commitment/reservation
- 66) Borrower Affidavit
- 67) Income Calculator with supporting docs
- 68) Signed income letter from non-borrowing spouse/HH occupants 18+ (if applicable)
- 69) Borrower Authorization for Release of Information
- 70) Evidence of Completion of Homeownership Counseling
- 71) MCC documents (25, 26, 28, 29, 32, 33, MCC 27 when applicable)

As a representative of the above lender, I certify that all documentation is present as indicated:

Preparer Name: _____

Title: _____

Signature: _____



Lender Name: _____	Payoff Exp Date: _____	IHDA Loan #: _____
Lender Contact: _____	Date Closed: _____	Lender Loan #: _____
Lender Email: _____	Loan Type: _____	Borrower Name: _____

IHDA I-Refi Documents:

- 1) Guaranty Letter
- 2) Promissory Note
- 3) Recapture Agreement
- 4) Borrower Affidavit
- 5) Summary Disclosure
- 6) Mortgage & IHDA Rider
- 7) Borrower Letter

Loan Documents:

- 1) Final Closing Disclosure
- 2) Final executed 1003 with any addendum & Final 1008/LUTS/26-6393
- 3) Payoff valid thru disbursement date or per diem included (not to exceed 30 days)
- 4) Title commitment, copy of any release(s)
- 5) Right of Rescission
- 6) Verbal VOE completed prior to close for all Borrowers
- 7) Proof the Borrowers Identity was verified at close (Copy of ID, Customer Identification Form, etc.)
- 8) Signed Tax Returns (if signed at close)
- 9) LOX's (if signed at close)

I, _____, as an authorized representative of the lender listed above, I certify that all of the above documentation is present within this upload.

Preparer: _____



IHDA - Funding Request - Single Family Homeownership (Rev. 7/19/2016)			
Borrower Related Fields		- Loan Numbers#	
Name of Borrower			
Name of Co-Borrower			
Name of Co-Borrower			
Property Address Information			
(Street Address / Town)		(City / State)	(ZIP) (County)
Number of Units (Drop Down -->)		----	
Did the Borrower receive previous HHF assistance? (Drop Down -->)		----	
Loan Type (Current Mortgage)		----	
New Appraisal Related Fields			
Date of Appraisal		00/00/0000	
Name of Appraiser			
Appraiser License Number			
Appraised Value		\$ -	
As is (Check one -->)		<input type="checkbox"/> As is	
As Repaired (Check one -->)		<input type="checkbox"/> As Repaired	
Underwriting Information (New Refinance)			
Loan Type		Valid Through	----
Payoff of 1st Mortgage	00/00/0000	0.00%	\$ -
Estimated Closing Costs			\$ -
Estimated Repair Costs			\$ -
Additional Per Diem Interest			\$ -
New Loan Amount (Before IHDA Assistance)		0.00%	\$ -
Amount used for Closing / Repair Costs			\$ -
Amount used for Mortgage Pay Down			\$ -
Proposed Down Payment Assistance (DPA)			\$ -
Mortgage Amount (Base Loan Amount)		0.00%	\$ -
Funding Fee, MIP, etc.		0.00%	\$ -
Fee Financed			\$ -
Total Loan Amount		0.00%	\$ -
Base LTV Qualifier	Not Enough Information Provided		
Final LTV Qualifier	Not Enough Information Provided		
Loan Type / Unit / DPA Qualifier	Not Enough Information Provided		
Signature Page			
Based on the Review of Source Documentation, the mortgage lender has completed a Refinance Eligibility Analysis and has determined that the household is Eligible for the Authority's Refinance Program.			
I further Certify that the Information contained in this certification is true and accurate to the best of my knowledge.			
Signature of Reviewer: _____		Date: _____	
Print Name: _____		Date: _____	
*Note: Attach Source Documents used for the Review. Maintain a copy in the Borrower's file.			



7/2016

**REFINANCE
ILLINOIS HOUSING DEVELOPMENT AUTHORITY
BORROWER AFFIDAVIT**

INSTRUCTIONS:

Complete item #1. The remaining items must be reviewed, investigated and evaluated by the lender to whom you submitted your mortgage loan application (the "Lender") and its respective agents.

The Borrower Affidavit must be executed by the Borrower(s) (and non-borrowing spouse waiving homestead) and duly notarized.

BORROWER AFFIDAVIT

This Borrower Affidavit shall be considered part of the application for the loan, and is incorporated therein.

If any statement made by you in this affidavit is false, the mortgage loan made to you will not be eligible for the refinance program of the Illinois Housing Development Authority ("IHDA") and in such event the outstanding principal balance of the mortgage loan may be declared immediately due and payable.

It may be a federal offense punishable by a maximum of a \$5,000 fine, two years imprisonment, or both, knowingly to make a false statement in this affidavit (Title 18 United States Code, Section 1014). Read this affidavit carefully to be sure the information in it is true and complete before signing this form. All questions must be answered completely. If any question is not applicable, answer "N/A." The information provided in this affidavit is subject to verification by IHDA, the Lender, and their respective agents.

The undersigned, hereinafter collectively referred to as "the Borrower," affirms as follows:

- The Borrower is refinancing the property located at:

Street Address: _____
 City: _____
 State: **Illinois**
 ZIP: _____

Or which is legally described as follows (the "Property"):

7/2016

BORROWER SIGNATURE PAGE



 Borrower's Signature

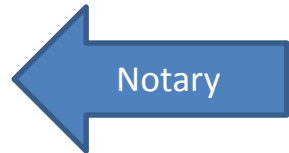
 (Print Borrower Name)

 Co-Borrower's (OR non-borrowing spouse waiving homestead) Signature

 (Print Co-Borrower (OR non-borrowing spouse waiving homestead) Name)

 Borrower email address

State of _____ }
 (Name of State) } SS.
 County of _____ }
 (Name of County) }



This instrument was acknowledged before me this _____ day _____, _____.

(Day) (Month) (Year)

 (Print Borrower Name) (Print Co-Borrower Name)
 (OR non-borrowing spouse waiving homestead)

 Notary Stamp Notary Public Signature



HARDEST HIT FUND DODD-FRANK CERTIFICATION

The following information is requested by the federal government in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203). **You are required to furnish this information.** The law provides that no person shall be eligible to receive assistance from the Hardest Hit Fund Program, authorized under the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5201 *et seq.*), or any other mortgage assistance program authorized or funded by that Act, if such person, in connection with a mortgage or real estate transaction, has been convicted, within the last 10 years, of any one of the following: (A) felony larceny, theft, fraud or forgery, (B) money laundering or (C) tax evasion.

I/we certify under penalty of perjury that I/we have not been convicted within the last 10 years of any one of the following in connection with a mortgage or real estate transaction:

- (a) felony larceny, theft, fraud or forgery,
- (b) money laundering or
- (c) tax evasion

In making this certification, I/we certify under penalty of perjury that all of the information in this document is truthful and that I/we understand that the Servicer, the U.S. Department of the Treasury, or their agents may investigate the accuracy of my statements by performing routine background checks, including automated searches of federal, state and county databases, to confirm that I/we have not been convicted of such crimes. I/we also understand that knowingly submitting false information may violate Federal law.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY'S HARDEST HIT FUND Home Preservation Program - I-Refi Program Certification

Reference is hereby made to the Uniform Residential Loan Application (the "URLA") of the Borrower dated as of _____ with respect the property located at:

Illinois Housing Development Authority (IHDA) is hereby entitled to rely on all information provided and representations made in such URLA as if provided in this I-Refi - Home Preservation Program, including, without limitation, the Acknowledgement and Agreement set forth in Section IX of such URLA.

I acknowledge that knowingly failing to disclose material information to IHDA, or making or causing to be made a false, or fraudulent statement or representation of material fact in an application for use in determining eligibility for a payment under IHDA's Hardest Hit Fund Home Preservation Program - I-Refi Program, may constitute a crime punishable under State and/or Federal law. I, therefore, certify, under penalty of perjury that all information I have given on the URLA, other Program documents, and in any accompanying statements, is complete, true, and correct and I acknowledge that any material omission or false, fictitious, or fraudulent statement or representation or entry could be the basis for civil penalties and assessments under State and/or Federal law.

This Certificate is effective on the earlier of the date listed below or the date received by your lender.

Borrower Signature: _____ Date: _____

Co-Borrower Signature: _____ Date: _____





Illinois Housing Development Authority
401 N. Michigan Ave
Chicago, IL 60611



LETTER OF GUARANTY

Date: _____
 Attn: _____
 Lender Name: _____
 IHDA Loan Number: _____
 Borrower(s): _____
 Subject Property: _____
 Assistance Amount: _____

The Illinois Housing Development Authority (the "Authority") is a body politic and corporate of the State of Illinois, created by and existing pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., (the "Act"). The Authority administers the Hardest Hit Fund Home Preservation Program - I-Refi Program (the "HHF I-Refi Program") pursuant to the Act and the administrative rules.

This letter provides a guaranty of reimbursement in the assistance amount to the aforementioned participating IHDA lender for the specified loan number. The reimbursement amount shall not exceed \$50,000, except when the assistance is provided to a former or current HHF program participant, in which case this amount shall not exceed \$85,000 in any instance. The Authority will review all loan documentation for compliance with the Act and certify eligibility of specified borrower under the HHF I-Refi Program prior to closing. Reimbursement will occur after loan closing, at the time of loan purchase by the Authority via its agent US Bank HFA division, or subsequent agent as may apply. In the event the first mortgage should become unsalable to IHDA via its Agent, lender will receive reimbursement for the Assistance Amount. Lender agrees to make every attempt to achieve loan saleability.

A Promissory Note, Summary Disclosure, and Recapture Agreement are attached and must be executed by borrower at time of closing and subsequently included in the assistance documentation provided to the Authority. Recapture Agreement is to be recorded with the appropriate recorder's office and original Promissory Note and Summary Disclosure is to be sent to the Authority via its agent at the time of purchase.

Any questions regarding this letter should be addressed to the Authority's Homeownership Department by telephone at 312.836.5204 or by email to Tpavlik@ihda.org.

Sincerely,

Tara Pavlik,
Managing Director, Homeownership Programs
Illinois Housing Development Authority

REVIEWED BY:



Lender Signature



**Illinois Hardest Hit Fund
Home Preservation Program- I-Refi Program**

**ILLINOIS HARDEST HIT FUND
Home Preservation Program – I-Refi Program
Summary Disclosure of I-Refi Forgivable Assistance Terms**

The **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** (the "**Authority**"), a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time, pursuant to the requirements of the Illinois Hardest Hit Fund Program – I-Refi Program (the "**Program**"), will provide forgivable assistance to

The Borrower(s) _____ (the "**Borrower**") regarding their residence located at: _____ Illinois (the "**Residence**")

The Program will provide Forgivable Assistance (as hereinafter defined) to the Borrower that is forgivable incrementally, over a period of time subject to certain conditions. The Forgivable Assistance is evidenced, and governed by, among other things: (a) this Summary Disclosure of I-Refi Forgivable Assistance Terms; (b) the Promissory Note (the "**Note**"), (c) the Recapture Agreement (the "**Recapture Agreement**"), and (d) all other documents that evidence, or govern the Forgivable Assistance, including, but not limited to the required supporting documentation submitted therewith (collectively, the "**Ancillary Documents**"). This Summary Disclosure of I-Refi Forgivable Assistance Terms, the Note, the Recapture Agreement and the Ancillary Documents are collectively referred to herein as the "**I-Refi Documents**." Terms not otherwise defined herein shall have the meaning ascribed thereto in the Note.

SUMMARY OF TERMS

- **Forgivable Assistance Amount:** In an amount not to exceed (_____) and no/100 dollars (_____) the "**Forgivable Assistance**".
- **Repayment Amount:** The Forgivable Assistance will be forgiven after 36 months, provided, however, if during this period the Borrower: (i) the Borrower sells, conveys or transfers title to the Residence and there are Net Proceeds (as defined below); (ii) the Borrower refinances the Residence; or (iii) defaults under the Note or Recapture Agreement, then the Borrower must pay the "Repayment Amount". The "Repayment Amount" is the full amount of the Forgivable Assistance reduced by 1/36th of that amount for each full month the Borrower has occupied the Residence during the 36 month period. This 36 month period starts on the day of the closing of the Forgivable Assistance. However, if the Repayment Amount is greater than the Net Proceeds, the Borrower must pay only the amount of the Net Proceeds, and the amount of the Repayment Amount in excess of the Net Proceeds will be forgiven. If there are no Net Proceeds then the full amount of the Forgivable Assistance will be forgiven.

The term "**Net Proceeds**" means the proceeds of the sale or transfer of the Residence after payment of reasonable and customary closing costs and expenses less (i) the amount of any documented capital improvement costs to the Residence incurred by the Borrower after the date of the Recapture Agreement and as approved by the Authority, in its sole discretion, and (ii) the Borrower's initial contribution to the cost of acquiring the Residence.

- **Funding:** The proceeds of the Forgivable Assistance are to be used by the Borrower to provide for refinancing the Borrower's First Mortgage Loan (as hereinafter defined) and other associated fees and costs related to the same.
- **Interest Rate:** 0.00%
- **Costs:** No fees or costs associated with the Forgivable Assistance will be charged to the Borrower. However, the Borrower may be charged for certain fees related to the cost of refinancing of the First Mortgage Loan, if applicable.
- **Recapture Agreement:** The Forgivable Assistance will be secured by a Recapture Agreement on the Residence, recorded with the Recorder of Deed for the County where the Residence is located.

This Summary Disclosure of Forgivable Assistance Terms is a summary only and is not intended to replace or amend the terms and conditions in the I-Refi Documents. In the event of a conflict between this summary, the I-Refi Documents will control.

Borrower Signature: _____ **Borrower Signature:** _____
Printed Name: _____ **Printed Name:** _____

Assistance
Amount

Borrower(s)
Signature



**Illinois Hardest Hit Fund
ILLINOIS DEVELOPMENT HOUSING AUTHORITY
Home Preservation Program- I-Refi Program**

- PROMISSORY NOTE -

THIS PROMISSORY NOTE (this "Note") is made as of this _____ day of _____, 20____, by _____, (the "Maker") to the order of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., as amended from time to time (the "Act"), and the rules promulgated under the Act, as amended and supplemented (the "Rules"), having its principal office at 401 North Michigan Avenue, Suite 700, Chicago, Illinois 60611 (the "Payee").

1. Forgivable Assistance. The Maker has requested, and the Payee has agreed to provide forgivable assistance to the Maker pursuant to the requirements of the Illinois Hardest Hit Fund Home Preservation Program – I-Refi Program in an amount not to exceed _____ No/100 Dollars (_____) (the "Forgivable Assistance") for that certain residential real property owned by the Maker which is commonly known as _____, Illinois (the "Property").

2. Covenant to Pay the Forgivable Assistance. For value received, the Maker promises to pay to the order of the Payee the Forgivable Assistance, or so much thereof as may be advanced hereafter to Maker at such times and in such amounts as Payee shall determine in accordance with the terms of this Note or the Recapture Agreement (as hereinafter defined), bearing no interest except in the Event of a Default. All payments under this Note are to be paid as provided in the Recapture Agreement, or such other place as the holder of this Note may from time to time designate. The Forgivable Assistance shall be subject to repayment and recapture for a term of three (3) years from the date of this Note (the "Term") as provided per the terms of the Recapture Agreement (I-Refi Program) (as hereinafter defined). Absent the occurrence of an Event of Default, a Recapture Event (as defined in the Recapture Agreement) or an event that but for the passage of time or giving of notice would be a default: (i) no payments of principal shall be due and payable by Maker to Payee, and (ii) at the expiration of the Term, Payee shall forgive the entire principal balance of the Forgivable Assistance.

3. I-Refi Documents. The Forgivable Assistance is also evidenced, and secured by, among other things: (a) that certain Recapture Agreement (I-Refi Program) executed by Maker (the "Recapture Agreement"); (b) that certain Summary Disclosure of I-Refi Forgivable Assistance Terms (the "Disclosure"); and (c) all other documents that evidence, or govern the Forgivable Assistance including, but not limited to the required supporting documentation submitted therewith (collectively, the "Ancillary Documents"). This Note, the Recapture Agreement, the Disclosure and the Ancillary Documents are collectively referred to herein as the "I-Refi Documents". **Terms not otherwise defined herein shall have the meaning ascribed thereto in the Note.**

4. Monthly Payments. No payments of principal and interest shall be due unless there is a Recapture Event (as defined in the Recapture Agreement) which includes but is not limited to an Event of Default (as hereinafter defined) that occurs and which is not cured during any applicable notice and cure period.

5. Event of Default. A breach by the Maker of any of its representations, certifications, warranties or covenants contained in any of the I-Refi Documents or in the performance of any of its obligations under the I-Refi Documents shall constitute an "Event of Default" under this Note.

- 6. Remedies.** The Payee shall have the right to exercise any one or more of the following remedies upon an Event of Default:
- (a) terminate the I-Refi Documents;
 - (b) the Payee may proceed to exercise any rights and remedies available to the Payee under the I-Refi Documents; or
 - (c) exercise any other rights and remedies that may be available at law, in equity or otherwise.

The Payee's remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the Payee. No waiver of any breach of this Note by the Payee shall be deemed to be a waiver of any other breach or a subsequent breach. If the Payee fails to exercise, or delays in exercising, any right under this Note, such failure or delay shall not be deemed a waiver of such right or any other right. If suit is brought to collect the sums due under this Note, the Payee shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorneys' fees.

- 7. Prepayment.** Maker may prepay the principal amount outstanding in whole or in part.
- 8. Joint and Several Liability.** Presentation, notice of dishonor and protest are waived by all makers, sureties, guarantors and endorser of this Note. If more than one party is executing this Note as Maker, then all such parties executing this Note agree to be jointly and severally bound by it.
- 9. Notices.** Any notice, demand, request or other communication which any party may desire or may be required to give to any other party under this Note shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified United States mail, postage prepaid, return receipt requested.

If to Maker: _____
 At the address of the Property: _____
 If to Payee: _____

Illinois Housing Development Authority
 401 North Michigan Avenue, Suite 700
 Chicago, Illinois 60611
 Attention: Legal Department

Maker's addresses may be changed by notice to Payee given in the same manner as provided in this Note, and the Payee's address may be changed by notice to Maker via email at the email address provided in the Maker's Ancillary Documents. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective upon one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after deposit with the United States Postal Service.

10. Governing Law. Maker agrees that this instrument and the rights and obligations of the parties under this Note shall be governed by the laws of the State of Illinois, without reference to its conflict of law principles.

IN WITNESS WHEREOF, Maker has executed and delivered this Note as of the day and year first written above.

Borrower(s)
Signature

MAKER: _____ MAKER: _____
 Printed Name: _____ Printed Name: _____
 Date: _____ Date: _____



THIS DOCUMENT WAS PREPARED BY:
Hardest Hit Fund Department
Illinois Housing Development Authority
401 N. Michigan, Suite 700
Chicago, Illinois 60611

**AFTER RECORDING THIS DOCUMENT
SHOULD BE RETURNED TO:**
Illinois Housing Development Authority
401 N. Michigan, Suite 700
Chicago, Illinois 60611
Attention: Hardest Hit Fund

Property Identification No.:

Property Address:

Illinois Hardest Hit Fund
Home Preservation Program –
I-Refi Program

(The Above Space for Recorder's Use Only)



**Borrower (s)
Signature**

RECAPTURE AGREEMENT (I-REFI Program)

THIS RECAPTURE AGREEMENT (I-Refi Program) (this "Agreement") dated as of ____ day of _____, made by _____ (the "Owner") whose address is _____, Illinois, in favor of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** (the "Authority") a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., as amended from time to time (the "Act"), and the rules promulgated under the Act, as amended and supplemented (the "Rules") whose address is 401 North Michigan Avenue, Suite 700, Chicago, Illinois.

WITNESSETH:

WHEREAS, the Owner is the owner of the fee estate of that certain real property which is commonly known as _____, Illinois and all the improvements now or hereafter located thereon and which is legally described on **Exhibit A** attached to and made a part of this Agreement (the "Residence");

WHEREAS, the Authority has agreed to provide forgivable assistance to the Owner in an amount not to exceed _____ (\$ _____) the "Forgivable Assistance") pursuant to the Authority's Illinois Hardest Hit Fund Home Preservation Program – I-Refi Program (the "Program");

WHEREAS, in addition to this Agreement, the Forgivable Assistance is evidenced and governed by the following documents which have been entered into contemporaneously with the execution of this Agreement: (a) the Promissory Note from the Owner to the Authority (the "Note") and (b) all other documents that evidence or govern the Forgivable Assistance (the "Ancillary Documents"). This Agreement, the Note and the Ancillary Documents are collectively referred to herein as the "I-Refi Documents";

WHEREAS, terms not otherwise defined herein shall have the meaning ascribed thereto in the Note; and

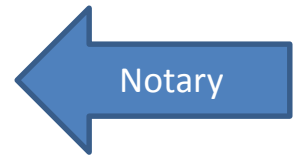
WHEREAS, as an inducement to the Authority to make the Forgivable Assistance, the Owner has agreed to provide this Agreement.

IN WITNESS WHEREOF, the Owner has executed this Agreement as of the date and year first above written.

Printed Name: _____

Printed Name: _____

STATE OF ILLINOIS }
COUNTY OF _____ } ss



Notary

I, _____, a Notary Public

in and for said county and state, do hereby certify that _____ is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes set forth.

Given under my hand and official seal, this ____ day of _____, ____.

Notary Seal

Notary Public (signature)

My commission expires: _____



EXHIBIT A

Legal Description

Common Address:

Permanent Index No.:



Illinois Housing Development Authority
401 N. Michigan Ave
Chicago, IL 60611



ASSISTANCE IMPACT LETTER

Date: _____

Borrower(s): _____

Subject Property: _____

The following statement details the way in which the I-Refi program and its assistance has already, or will in the future, benefit the Borrower(s), as stated in the words of the Borrower(s):

Borrower (s)
Signature

Sincerely,

Borrower Signature

Borrower E-mail

Borrower Phone Number



YOUR PUBLIC FINANCE PARTNER



**ILLINOIS HOUSING
DEVELOPMENT AUTHORITY**



CONTACT

- Sheri Hannion shannion@ihda.org
- Tara Pavlik tpavlik@ihda.org (312)898-3317
- Greg Faulkner gfaulkner@ihda.org (312)914-5023
- Rebecca Ortiz rortiz@ihda.org (312)848-2001
- John Maksim jmaksim@ihda.org (312)802-1894



Questions