



The Illinois **HOME START** Loan Program *for First-Time Homebuyers*



The Illinois Home Start Loan Program is designed to help first-time homebuyers achieve the dream of homeownership affordably.



Launched this summer, Home Start offers two loan options: the Home Start 30-Year Fixed Rate Loan and an optional Home Start Tax Credit Advance Loan. The Tax Credit Advance Loan enables homebuyers to take advantage of the federal \$8,000 first-time buyer tax credit and use it as a down payment. This program is administered by the Illinois Housing Development Authority, www.ihda.org.

Home Start 30-Year Fixed Rate Loan

A 30-year fixed rate amortizing loan insured by the Federal Housing Administration (FHA) and serviced by U.S. Bank Home Mortgage. The interest rate on this loan is 5.25 percent (subject to change in market conditions).

Home Start Tax Credit Advance Loan

A second loan option which allows Illinois first-time homebuyers in need of down payment assistance to obtain a zero-interest, short-term loan in anticipation of their federal first-time buyer tax credit.*

Features of the Home Start Tax Credit Advance Loan:

- Homebuyers must qualify and secure a Home Start 30-year loan to qualify for the advance loan option.
- The maximum loan amount under the Home Start Tax Credit Advance Loan program is 3.5 percent of the purchase price up to a maximum of \$6,000.
- Buyers can repay the advance loan when they receive their tax credit. If the loan is not repaid by June 30, 2010, then the remaining loan amount becomes a 10-year amortizing loan at 0.5 percent above the rate on the Home Start 30-Year Fixed Rate Loan.
- Homebuyer education must be completed through a HUD-certified counselor.
- Veterans and active duty service personnel don't have to be first-time homebuyers to qualify.
- A \$300 application fee must be paid at closing. Tax advance loan can be used and if the loan is repaid in full by June 30, 2010, \$100 of the fee will be refunded.
- Home purchase and mortgage loan must close on or before November 30, 2009.

*The American Recovery and Reinvestment Act (ARRA) of 2009 provides eligible first-time homebuyers with a one-time tax credit of up to \$8,000 that will enable them to save on their federal tax bill. Only homebuyers who are purchasing a home by November 30, 2009 are eligible for the tax credit.

To learn more contact your REALTOR® or visit
www.YourIllinoisHome.com and www.ihda.org.