

LOCAL SERVICE PROVIDERS

Western Egyptian E.O.C. - weeoc.org

- **PROGRAMS:** Low-income Weatherization, House Counseling Services
- **MAIN OFFICE:** 1 Industrial Park, P.O. Box 7, Steeleville, IL 62288
- **LOCAL OFFICE:** 342 North Street, Suite B, Murphysboro, IL 62966
- **LOCAL CONTACT:** 618-443-5231
- **EMAIL:** execdir@weeoc.org

Crosswalk Action Agency - crosswalkcaa.com

- **PROGRAMS:** Home Repair and Rehabilitation for low-to-moderate income households
- **ADDRESS:** 410 West Main Street, West Frankfort, Illinois 62896
- **CONTACT:** Jake Wach, Housing Specialist
- **PHONE:** (618) 937-3581
- **EMAIL:** Jake.Wach@crosswalkcaa.com

US Department of Agriculture Service Center – Area 3

- **PROGRAMS:** Home repair grants and loans, lending programs
- **ADDRESS:** 502 Comfort Dr, Marion, IL 62959
- **CONTACT:** Shelly Anderson, Rural Development Specialist
- **PHONE:** 618-993-5396
- **EMAIL:** shelly.a.anderson@usda.gov

ILLINOIS LENDING PROGRAMS

Illinois Housing Development Authority

The Illinois Housing Development Authority provides a number of programs to low- and moderate-income households including loans with favorable terms and/or rate and down payment assistance. Below is an overview of these available lending products.

For more details on these programs and other services, go to:

www.ihda.org/lenders-realtors/lending-programs/

IHD Access Forgivable Mortgage

- **4% of the purchase price up to \$6,000** in assistance for down payment & closing costs, forgiven monthly over 10 years – it's a gift that does not have to be repaid
- 30-year, fixed rate mortgage with an affordable interest rate
- Available for all mortgage types, including FHA, VA, USDA and FNMA HFA Preferred
- Available to first-time and repeat homebuyers statewide
- Income restrictions apply

IHD Access Deferred Mortgage

- **5% of the purchase price up to \$7,500** in assistance for down payment & closing costs offered as an interest-free loan, deferred for the life of your mortgage – you don't need to repay until you sell your house, refinance, or pay off your mortgage
- 30-year, fixed rate mortgage with an affordable interest rate
- Available for all mortgage types, including FHA, VA, USDA and FNMA HFA Preferred
- Available to first-time and repeat homebuyers statewide
- Income restrictions apply

IHD Access Repayable Mortgage

- **10% of the purchase price up to \$10,000** in assistance for down payment & closing costs offered as an interest-free loan – repaid monthly over a 10-year period
- 30-year, fixed rate mortgage with an affordable interest rate
- Available for all mortgage types, including FHA, VA, USDA and FNMA HFA Preferred
- Available to first-time and repeat homebuyers statewide
- Income restrictions apply

SINGLE FAMILY REHABILITATION (SFR) PROGRAM

Illinois Housing Development Authority

This program provides funding to units of local government and non-profit organizations throughout the State to help homeowners make necessary repairs to their homes. IHDA does not directly fund homeowners. Western Egyptian Economic Opportunity Council recently received funding to fund renovation for 10 low-income households (see table below for income requirements).

No. of Persons in Household	Maximum Annual Income
1	\$35,800
2	\$40,900
3	\$46,000
4	\$51,100
5	\$55,200
6	\$59,300

For more details on the program, go to: www.ihda.org/my-home/fixing-a-house/

For more details on Western Egyptian’s recent award and eligibility requirements: weeoc.org/trust-fund-emergency-rehab-program/

SINGLE FAMILY HOUSING REPAIR LOANS & GRANTS

US Department of Agriculture – Rural Development

Also known as the Section 504 Home Repair program, this program provides loans to very-low-income homeowners to repair, improve or modernize their homes or grants to elderly very-low-income homeowners to remove health and safety hazards.

- Provides up to \$20,000 loan and \$7,500 in grant funds to very-low-income homeowners to repair, improve or modernize their homes
- Can be combined for a total of \$27,500 in assistance
- Also target elderly very-low-income homeowners to remove health and safety hazards.
- Loans up to 20 years with a fixed interest rate of 1%

For more details, go to: www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants/il

FHA 203K LOANS – MORTGAGE LOAN FOR A FIXER-UPPER

US Department of Housing and Urban Development

An FHA 203k loan is backed by the federal government and is a financing option for buyers who want to buy a damaged or older home and do repairs on it. The program provides financing up to 110% of the after-improvement value. However, the borrower is required to provide a detailed proposal of the work they want to do and cost estimates for each item so will need to hire an independent consultant or licensed contractor to prepare these exhibits.

Another obstacle is to identify a lender that has experience with the program. The US Department of Housing and Urban Development (HUD) provides a tool to help with this search. A current search shows a lender in Smithton, IL is the nearest lender that has serviced an FHA 203K loan in the past 12 months, the criteria HUD uses to identify qualified lenders. Local lenders could offer the product although it would take considerable time and effort to familiarize themselves with the program.

For more details, go to www.hud.gov/program_offices/housing/sfh/203k.

HOMESTYLE RENOVATION MORTGAGE

Federal National Mortgage Association / Fannie Mae

Similar to the FHA 203K loan, the HomeStyle Renovation Mortgage can provide a financing option to buy and renovate an existing house. One of the major differences between the two loans is that a HomeStyle Renovation Mortgage can finance renovations to a primary residence, rental property, or vacation home while FHA restricts use to primary residences only. With this flexibility comes a slightly higher down payment minimum of 5% and stricter lending requirements with a minimum FICO score of 620.

For more details, go to www.fanniemae.com/HomeStyle/lender/index.html

FIRSTLOOK REOMATCH

National Community Stabilization Trust

REOMatch is an online tool that provides a mechanism to sell bank-owned properties to community partner organizations such as a local nonprofit group, community development corporation, and other neighborhood stabilization-focused buyers that are pre-qualified by the National Community Stabilization Trust (NCST). The First Look program provides an additional benefit to these local groups giving first right of refusal of REO properties before they are listed on the Multiple Listing Service (MLS) or auction sites.

The programs serve as a critical tool for municipalities and buyers as they save these organizations valuable time and resources. The programs also allow sellers to process foreclosures more quickly and at less expense than a traditional sale, and advance their commitment to community revitalization. A quicker sale lessens the risk of potential vandalism and property value deterioration for both the community and the sellers.

For more details, go to www.stabilizationtrust.org/what-we-do/reomatch/.

PROPERTY TAX ASSESSMENT FREEZE

Illinois Historic Preservation Division

The Illinois Historic Preservation Division has a program that support the rehabilitation of historic homes through a property tax assessment freeze. The program freezes the assessed value of historic owner-occupied, principal residences for eight years, followed by a four-year period during which the property's assessed value steps up until the 12th year, when it will be at its then-current level. This program is administered free of charge to Illinois homeowners who sensitively rehabilitate their historic homes.

To qualify for the program, the residence must first be owner-occupied and the owner's principal residence. The following housing types can qualify:

- Single-family house
- Residential building with up to six units as long as the building owner resides in one of the units
- Condominium building
- Cooperative

Second, the building must be registered as historic either individually or as part of a historic district, such as the Longfellow Bungalow District. The designation could be through the National Register of Historic Places, a designated local landmark or contributing property to historic district identified through a local preservation ordinance. Third, the residence must be rehabilitated in accordance with the Secretary of the Interior's Standards for Rehabilitation (linked [HERE](#)). Lastly, the rehabilitation must have eligible expenses equal to or exceeding 25% of the property's fair cash value, as determined by the local assessor, for the year the rehabilitation started.

While this program would be beneficial to residents in the proposed Longfellow Bungalow District, there are still several barriers to apply for these funds. First, the district would need to be designated as historic, either locally or through the National Register of Historic Places. Once approved, these homeowners would then need to either have enough savings or be able to apply for financing to make these improvements. This tool could be paired with the RLF program for greater savings to the homeowner, although, this would extend the payback period for the forgivable loan portion of the RLF program. It might be a good option to allow participants in this program to repay the full amount of the RLF loan, including the forgivable portion, and then participate in the 12-year Property Tax Assessment Freeze Program.

For more details, go to - <https://www2.illinois.gov/dnrhistoric/Preserve/pages/taxfreeze.aspx>

FEDERAL HISTORIC TAX CREDIT (HTC)

US National Parks Service

The Historic Tax Credit (HTC) program encourages investment in the rehabilitation and re-use of historic buildings. The federal tax credit allows program participants to claim 20 percent of eligible improvement expenses against their federal tax liability. The federal tax credit program follows much of the same eligibility requirements as the Illinois Property Tax Assessment Freeze program in addition to the requirement properties must be income-producing such as an apartment building, upper-story housing on main street or some other commercial use. This criteria limits Murphysboro's ability to renovate residential units, especially in the Longfellow Bungalow District which is primarily made up of single-family homes.

For more details, go to - <https://www.nps.gov/tps/tax-incentives.htm>