BUYING POWER:
8 home financing programs to help buyers get into a home

Homebuyers often think they need 20 percent or more for a down payment, but the actual amount is usually lower and state and federal homebuyer assistance and mortgage financing programs can make access to homeownership much more affordable.

IHDA Access
The Illinois Housing Development Authority’s (IHDA) Access loan program offers three options for Illinois buyers: Forgivable with up to $6,000 in down payment assistance; Deferred with up to $7,500; and Repayable with up to $10,000. All are available to first-time and repeat Illinois homebuyers who meet income and other program guidelines.

www.ihdamortgage.org

Finally Home
This program from the Illinois State Treasurer’s Office helps Illinois residents who might have difficulty getting a conventional loan avoid predatory lenders by guaranteeing up to 10 percent of the qualifying loan.

www.illinoisTreasurer.gov/Individuals/Finally_Home

1stHomeIllinois
This IHDA loan is only available to Illinois first-time buyers and veterans purchasing a home in Cook, Marion, St. Clair and Winnebago counties. Buyers get $7,500 in down payment assistance and a low-cost 30-year, fixed rate mortgage.

www.ihdamortgage.org

HomeReady
Fannie Mae offers a mortgage with a down payment as low 3 percent for low- to moderate-income first-time or repeat buyers. Additional income sources are considered and co-borrowers (parents for example) don’t have to live in the property.

www.KnowYourOptions.com/HomeReady

VA Home Loans
Available to qualifying veterans, active military members and eligible surviving spouses, these loans are guaranteed by the U.S. Department of Veterans Affairs and don’t require a down payment or mortgage insurance.

www.Benefits.VA.gov/HomeLoans

FHA Loans
Federal Housing Administration (FHA) insures loans with down payments as low as 3.5 percent, low closing costs and the ability for borrowers with less-than-perfect credit to qualify. In 2019, FHA maximum loan limits increased to $314,827 in most Illinois counties. More expensive areas such as Chicago, Rockford and the Metro East have higher limits.

bit.ly/AboutFHAloans

Home Possible
Freddie Mac’s version of the 3 percent down payment mortgage is open to low- to moderate-income first-time or repeat buyers or those purchasing in high-cost or underserved areas.

www.FreddieMac.com/HomePossible

USDA Guaranteed and Direct Loans
U.S. Department of Agriculture (USDA) program assists low- and moderate-income consumers in buying homes in eligible rural areas. The low-interest, fixed rate loans can be used to build, rehabilitate, improve or relocate a dwelling.

bit.ly/USDAsinglefamily

www.IllinoisRealtors.org