



**AFFORDABLE
HOUSING**

DPA CHECKLIST

Will County Home Consortium Down Payment Assistance Program – Administered by Will County Center for Community Concerns

All statements must be true to ensure program eligibility:

- Borrower has applied for assistance with pre-approval.
- Borrower has attended Homebuyer Education Course and obtained completion certificate.
- Borrower meets income limit of 80% AMI. Please review income limits.
- Borrower has minimum investment of \$2,500.
- Borrower purchasing within Will County or City of Joliet limits (including Kendall County).
- Training is not required; however, guidelines have been reviewed for program qualifications, loan term, max assistance, use of funds and purchase price limits.

Branch point of contact:

Jacqueline Lozada 331-260-2150 jlozada@willcountylanduse.com

Additional comments:

Max ratios 15-50/50%

Max CLTV 100%

1st lien rate may be no higher than 2% above current conventional rate with term of at least 20 years.

*If you need to use Flagstar or Chase for your 1st lien Investor, please reach out to affordableproducthelp@fairwaymc.com as these investors require individual approval.



Will County Center for Community Concerns

2455 Glenwood Avenue

Joliet, IL 60435

815-722-0722

WWW.WCCCC.NET

Applicant Eligibility

- Must be pre-approved
- Must Contribute \$2,500
- Must Be Principal Residence
- Housing Affordability 50% of Income (max debt 50%)
- Must attend Home Buyer Education Class 8 hours
 - (WCCCC offer monthly/virtually- other locations ok)
- Credit counseling

(If required based on creditworthiness- WCCCC - other locations ok)

- Household Must be low income 80% AMI
 - All income for all adults in Household
 - Eligibility is based on anticipated next 12 month income

Property Eligibility

- The property being purchased must be in Will County
- Purchase and Property type
 - New Construction \$286,000
 - Existing \$271,000
 - Condo
 - Townhouse
 - Single Family Detached
 - Manufactured Homes
- Property standard test
 - For Properties built prior to 1978
 - Additional Inspections may be required



Down Payment Assistance Mortgage Lenders Overview

Presented By: Tawonna Reed & Jacqueline Lozada
Will Co. Program Managers



Will County
HOME
Consortium



Helping People. Changing Lives.

Announce the Commitment
of up to **\$25,000**
Down Payment Assistance Program

The down payment assistance is provided
in the form of a zero interest,
deferred payment loan (forgivable) secured by a
second mortgage, note, and recapture agreement.

FOR MORE INFORMATION CONTACT

MICHELLE WILSON | (815) 722-0722 EXT 2220

EMAIL: CONTACTUS@WCCCC.NET

In-Depth Overview From the Individual Lens



Mortgage Lenders

Introduction:



Will County HOME Consortium is an agreement between the County of Will, which serves as the Lead Entity on behalf of the City of Joliet and the Village of Bolingbrook. Collectively, our purpose is to implement a regional HOME-funded program that will enhance cooperation among local jurisdictions to increase resources available to local governments to address the housing-related problems of lower-income people.

HUD Consolidated Plan 2020-2024

We support the Fair Housing Act and the Department of Housing and Urban Development mission to “build **strong, sustainable, inclusive** communities and quality **affordable homes** for all.”

Strong, sustainable and inclusive communities include diverse housing options. Housing must be grounded in a safe built environment and connected to a network of healthy food options, health care, education, jobs, transportation, and open space.

By focusing on housing, the mission is aligned with HUD, which seeks to utilize housing as a platform for improving quality of life.



Guiding Principles & Impact Strategy

Partnership:



F O R M O R E I N F O R M A T I O N C O N T A C T

MICHELLE WILSON | (815) 722-0722 EXT 2220

EMAIL: CONTACTUS@WCCCC.NET

- To oversee and manage the day-to-day administration of the program.
- Responsible for buyer intake, underwriting, and buyer counseling
- Scheduling of HQS & lead assessments inspections.

DPA Funding Can Help With:

Example: Approved \$20,000 in DPA



Closing Cost Assistance
or
Lower Closing Costs

Example

Closing Cost:

- Closing Cost (amount varies on lender, rates, insurance and property information. This can range on average from \$5,000-\$15,000)
- Qualified DPA Amount up to \$20,000

Lower Financing / Total Loan
Amount
OR
Buy a Better Rate!

Example

Lender Pre-Qualifies Homebuyer for \$100,000

- Qualified DPA Amount: \$20,000
- Home Purchase Price: \$100,000
- Final Amount Financed: \$80,000
- Buy more “points” = Lower Rates & Interest

Fill Gap In Purchase Amount

Example

Purchase Price of Home: \$120,000

- Approved Lender/Loan amount: \$100,000
- Qualified DPA Amount: \$20,000

ELIGIBLE PROPERTY TYPE:

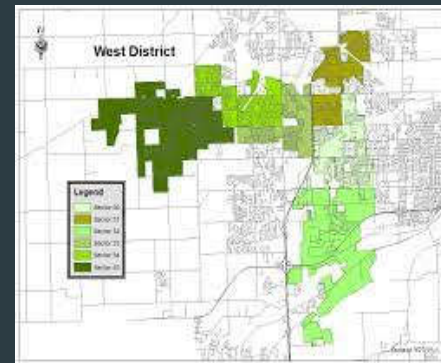
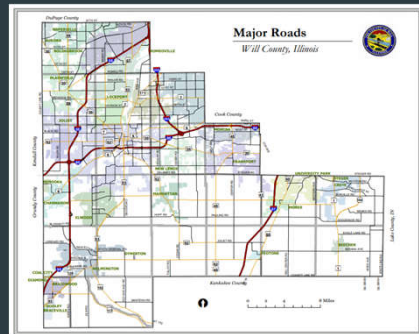
- Single family
- Condominium
- Townhouse
- Manufactured home on fixed foundation

INELIGIBLE Properties for this program:

- Homes that are tenant occupied

Where can a home be purchased?

The property being acquired must be located within the Will County or City of Joliet limits (including Kendall County)



- Aurora
- Beecher
- Bolingbrook
- Braidwood
- Channahon
- Crest Hill
- Crete
- Elwood
- Frankfort
- Homer Glen
- Joliet
- Lockport
- Manhattan
- Mokena
- Monee
- Naperville
- New Lenox
- Peotone
- Plainfield
- Romeoville
- Shorewood
- University Park
- Wilmington



HUD HOME

funds are used to provide decent, affordable housing to lower-income households.



Funding is subject to HUD's HOME requirements, regulations, and guidelines

Household must be low-income,

- Total income does not exceed 80% (Area Median Income).

80 % AMI (Low-Income)

1 Person \$58,350

2 Person \$66,700

3 Person \$75,050

4 Person \$83,350

5 Person \$90,050

6 Person \$96,700

7 Person \$103,400

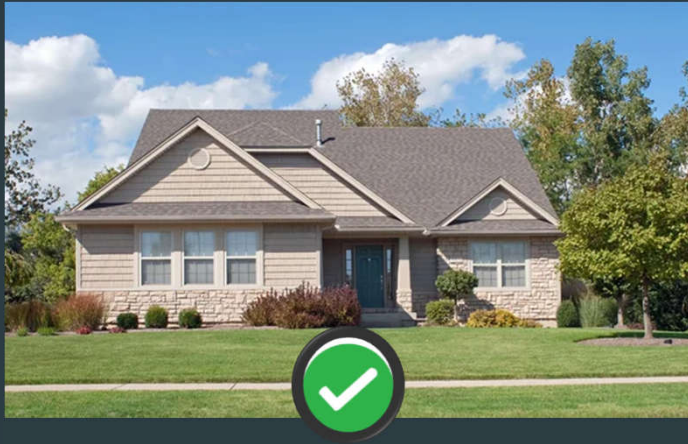
** Rates Effective: June 15, 2022

**** Income eligibility is determined using the HUD's IRS Adjusted Gross Income calculation.**

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4
Springfield, IL MSA				
30% LIMITS	21900	25000	28150	
VERY LOW INCOME	36500	41700	46900	
60% LIMITS	43800	50040	56280	
LOW INCOME	58350	66700	75050	
St. Louis, MO-IL MSA				
30% LIMITS	14950	17100	19250	
VERY LOW INCOME	24950	28500	32050	
60% LIMITS	29940	34200	38460	
LOW INCOME	39900	45600	51300	
Madison County, IL HUD Metro FMR Area				
30% LIMITS	15950	18200	20500	
VERY LOW INCOME	26400	30400	34200	
60% LIMITS	31920	36480	41040	
LOW INCOME	42500	48600	54600	
Madison County, IL HUD Metro FMR Area				
30% LIMITS	15950	18200	20500	
VERY LOW INCOME	26400	30400	34200	
60% LIMITS	31920	36480	41040	
LOW INCOME	42500	48600	54600	
Williamson County, IL HUD Metro FMR Area				
30% LIMITS	16350	18650	21050	
VERY LOW INCOME	27200	31050	34900	
60% LIMITS	32640	37260	41900	
LOW INCOME	43500	49700	55900	
Champaign-Urbana, IL MSA				
30% LIMITS	19200	21950	24700	
VERY LOW INCOME	32000	36550	41100	
60% LIMITS	38400	43860	49200	
LOW INCOME	51150	58450	65750	
Chicago-Joliet-Naperville, IL HUD Metro FMR Area				
30% LIMITS	21900	25000	28150	
VERY LOW INCOME	36500	41700	46900	
60% LIMITS	43800	50040	56280	
LOW INCOME	58350	66700	75050	

Effective Date: June 15, 2022

MAXIMUM PROPERTY VALUE LIMITS:



- 2022 Will County **Existing** Homes HOME Purchase Price Limit
 - 1 Unit: \$271,0000
- 2022 Will County **NEW** Homes HOME Purchase Price Limit
 - 1 Unit: \$286,0000

Rates effective June 1, 2022

Current Limits: <https://www.hudexchange.info/news/home-and-htf-homeownership-value-limits/>

LENDING POLICY:

Homebuyers participating in the Will County Consortium DPA program must be able to secure a first mortgage that is affordable and sustainable over the long-term.

- The CLTV (combined loan to value) of the first mortgage cannot exceed 100% of the appraised value.
- The interest rate can be no higher than 2% above the current conventional rate.
- The first mortgage must be a fixed rate, fully amortizing loan with a term of at least 20 years.
- Interest only loans, ARMs, 80/20 loans or other exotic mortgage products are NOT acceptable under the Consortium program.

SUBSIDY LIMITS:

- The minimum HOME investment is \$1,000.00.
- The maximum HOME subsidy limit under this Consortium program is based on a maximum of 20% of the purchase price of the home, capped at \$25,000

UNDERWRITING THE HOMEBUYER:

The initial underwriting shall be conducted by the WCCCC & Consortium reviews and evaluates each homebuyer's ability and willingness to pay and the appropriateness of the proposed amount of HOME subsidy

STEP 1: DETERMINING THE FRONT-END RATIO

- **Housing Debt:** Prospective homebuyer's housing debt ratio must fall within the following range:

Minimum Housing Ratio: 15%

Maximum Housing Ratio: 50%*

STEP 2: DETERMINING THE BACK-END RATIO

- **Overall Household Debt:** Prospective homebuyer's overall household debt ratio cannot exceed a maximum of 50%.

STEP 3: DETERMINING THE AMOUNT OF DOWNPAYMENT

STEP 4: DETERMINING THE AMOUNT OF CASH NEEDED

Underwriting Review

DETERMINING DEBT TO INCOME RATIOS				
Front End Ratio				NOTES
1	Max Percent of Income for Affordable Housing	50%	Based on Pr	
2	Annual Income			
3	Annual Real Estate Tax		http://willta	
4	Annual Property Insurance		http://www.c	
5	Monthly Income	\$0		
6	Monthly Affordable Housing Payment	\$0		
7	Monthly Tax	\$0		
8	Monthly Property Insurance	\$0.00		
9	Max Monthly Payment for Principal & Interest	\$0		
10	Term of Mortgage (in Years)			
11	Interest Rate		Based on lend	
12	Maximum Affordable First Mortgage (FRONT END)	\$0		
Back End Ratio				
A	Annual Income			
B	Monthly Debt Service			
B1	Car Payment			
B2	Student Loan			
B3	Credit Card			
B4	Other			
B5	Total Debts	\$0		
C	Maximum Debt to Income Ratio	50%		
D	Maximum Debt Service	-		
E	Max Monthly Payment for Principal & Interest	-		
F	Maximum Affordable First Mortgage (BACK END)	\$0		
G	Affordable First Mortgage	\$0		

DETERMINING SUBSIDY				
USES				
13	Purchase Price (Offer Price)			
Closing Costs				
14	Prepaid Mortgage Interest			
15	Title Insurance			
16	Appraisal			
17	Recording			
18	Deed Prep			
19	Transfer Taxes			
20	Tax Stamp			
21	Pre-Paid Taxes			
22	Pre-Paid Insurance			
23	Loan Origination Fee	1.00%		
24	Total Closing Costs:		\$0	
25	Total Uses		\$0	
SOURCES				
26	First Mortgage (Amount Financed)			Based on
27	Owner Cash			Program
Other				
28	Other 1			Other As
29	Other 2			
30	Total Non-City Sources		\$0	

54				
55		Subsidy Calculation		
56	31	Gap	\$0	Total Uses less Total
57	32	Maximum Amount of Assistance	\$0	Max of 20% and Max c
58	33	Amount of Assistance	\$0	Amount to be provide
59	34	Additional Assistance Needed	\$0	If greater than \$0, bu
60				
61		Cash Requirements		
62	35	Equity Requirement	\$2,500	\$2500 - of their own fi
63	36	Closing Costs		
64	37	Total Cash Needed	\$2,500	
65				

A Demonstration of the Underwriting Workbook following Presentation

When Homebuyer finds a Home



- Funding is First Come First Served
- Home must be occupied by the homebuyer as his/her principal residence.
- Do Not have to be a First-Time Homebuyer
- Can be layered with other DPA programs
- No minimum credit score required
- Multi-Board Sales Contact initiates environmental review
- The down payment assistance is provided in the form of a zero interest, deferred payment loan (forgivable) secured by a second mortgage, note, and recapture agreement.

ENVIRONMENTAL REVIEW:

The Consortium is responsible for undertaking the environmental review process for HOME-funded activities.

- ❑ After the completion of the buyer intake, initial underwriting, and submittal of a sales contract to WCCCC
- ❑ WCCCC forwards the initial underwriting, sales contract, and a request for ERR to be performed by Consortium.
- ❑ The satisfactory completion of the environmental review is required prior to the commitment of HOME funds. A written agreement cannot be executed with the qualified homebuyer(s) nor any HOME funds expended until the environmental review process is completed and clearance granted.
- ❑ At the same time that the Consortium is conducting the Environmental Review, WCCCC will have the prospective homebuyer sign a release directing the lender to provide the following documentation to them in order to complete the underwriting process and determine gap financing needs:
 1. Credit Report (the homebuyer can sign a waiver to use the bank's),
 2. Appraisal - provides the value of the property being purchased,
 3. Mortgage approval letter for the property being purchased.



Must Be Approved

HQS and Lead Inspections

- WCCCC coordinates & conduct inspections
- Inspections fees covered by DPA Program

WILL COUNTY HOME CONSORTIUM DOWN PAYMENT ASSISTANCE PROGRAM

Property checklist for: _____

Exterior of Property

- Foundation free of cracks, properly mortared and free of cracked, chipped, or peeling paint.
- Exterior walls, siding or painting is in good condition and free of cracked, chipped, or peeling paint.
- Windows and doors are in good condition and free of cracked, chipped, or peeling paint.
- Stairway, porch and steps are in good condition and free of cracked, chipped, or peeling paint.
- Porches/balconies 30 inches above grade must have guardrails in good condition.
- Garages and storage sheds maintained in good condition and free of cracked, chipped, or peeling paint.
- Roof is weathertight and free of missing or deteriorated shingles.

Interior of Property

- Interior surfaces are in good condition and free of cracked, chipped, or peeling paint.
- No visible water damage.
- Floors structurally sound.
- Windows are operable and will remain open without difficulty.
- Kitchen cabinets and counter tops in good condition.
- Basement/crawl space dry; foundation structurally sound and free of cracks > 1/8".
- No visible mold present.
- Electrical: panel is not over-fused, service is on and properly installed.
- Electrical: outlets and wiring are properly installed and with proper materials.
- Working Ground Fault Circuit Interrupter (GFCI) in bathrooms and laundry areas in applicable areas.
- Plumbing: supply piping and DWV installed properly and with proper materials.
- Plumbing: water service is on, not leaking and water has enough pressure.
- Heating: furnace/boiler operating properly; all gas appliances have a gas shut off.
- Water Heater: operating and properly installed.

Buyer/Agent _____ Phone _____

Print Name _____

Client # _____

HOUSING QUALITY STANDARDS (HQS) INSPECTION FORM

A. General Information

Date of Inspection: _____

Address of Inspected Unit: Street: _____

City: _____ County: _____ State: _____ Zip: _____

Name of Family: _____

Current Address of Family: Street: _____

City: _____ County: _____ State: _____ Zip: _____

Current Telephone of Family: _____

B. How to Fill Out This Checklist

☐ Proceed through the inspection as follows:

Area	Checklist Category
Room by Room	1. Living Room 2. Kitchen 3. Bathroom 4. All Other Rooms Used for Living 5. All Secondary Rooms Not Used for Living
Outside	6. Building Exterior
Basement or Utility Room	7. Heating and Plumbing
Overall	8. General Health and Safety

☐ Each part of the checklist will be accompanied by an explanation of the item to be inspected.

☐ Important: For each item numbered on the checklist, check one box only (e.g., check one box only for item 1.4 "Security," in the Living Room).

☐ In the space to the right of the description of the item, if the decision on the item is "Fail," write what repairs are necessary.

☐ Also, if "Pass" but there are additional code items or items not consistent with rehab standards or area codes, write these in the space to the right.

Lead-based Paint Pamphlet – Acknowledgment of Receipt

I/we certify that I/we have received a copy of the pamphlet entitled:

PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME

Please sign this receipt and return it to:

Will County Center for Community Concerns Attn: Michelle Wilson
2455 Glenwood Avenue
Joliet, IL 60435

PLEASE PRINT

Homebuyer's Name _____

Homebuyer's Name _____

Homebuyer's Signature _____ Date _____

Homebuyer's Signature _____ Date _____



Must Pass Life & Safety

MASTER STATEMENT

Settlement Date: _____ Disbursement Date: _____ Escrow Number: _____
 Escrow Officer: _____ Email: _____
 Borrower: Homebuyer _____
 Seller: _____
 Property: _____
 Lender: Mortgage Company _____
 Loan Number: _____

SELLER			BORROWER				
\$	DEBITS	\$	CREDITS	\$	DEBITS	\$	CREDITS
FINANCIAL CONSIDERATION							
		Sale Price of Property			132,000.00		
		Deposit or earnest money					1,000.00
PRORATIONS/ADJUSTMENTS							
		Mortgage IHDA					81,723.24
81,723.24							
6,000.00							6,000.00
NEW LOAN CHARGES -							
Total Loan Charges: \$7,784.20							
2.35% of Loan Amount (Points) to							
Application Fees							
		Lender Fees			3,368.73		

Master Statement Submission

Any Cash Invested from Homebuyer



HOMEOWNER'S
INSURANCE



HOMEBUYER PAID
FOR SURVEY



HOMEBUYER PAID
FOR APPRAISAL



EARNEST MONEY

Qualifies toward \$2,500 minimum
requirement

The Closing:

- Consortium receives a Master Statement
 - No later than 3 days of expected closing date
 - Verifies \$2,500 minimum cash invested from Homebuyer
- Consortium coordinates for closing
 - Coordinate with Realtor, WCCCC & Title company
- Consortium attends with a DPA check for the signing of HOME Documents
 - Homebuyer Agreement (If not previously signed)
 - Second Mortgage (Recorded)
 - Recapture Agreement (Recorded)
 - Note
 - Amortization
 - Important Notice (Monitoring)
 - Receives all recorded closing documents (First Mortgage, etc.)



Note: Fees for Recording not covered by DPA program

Prepared By & Return To:

Will County Land Use Department
Community Development Division
58 E. Clinton Street, Suite 500
Joliet, Illinois 60432

SECOND MORTGAGE

\$ PRINCIPAL AMOUNT

THIS MORTGAGE is made this (DATE) between the Mortgagor, (herein "Borrower") and the Mortgagee, Will County Land Use Department, Community Development Division, a public body corporate and politic, whose address is 58 E. Clinton Street, Joliet, IL, 60432 (herein "Lender").

WHEREAS, Lender has made a loan to Borrower pursuant to the Home Investment Partnership Program (Title II, The Cranston Gonzalez National Affordable Housing Act, Public Law No. 101-625, 104 Statute 4079 (1990) and regulations issued thereunder (24 CFR Part 92)(the "Home Program"); and

WHEREAS, Borrower is indebted to Lender in the principal sum of (sum in written form) (\$) evidenced by the certain Note from Borrower in favor of the County of Will dated (DATE) (herein "Note"). Subject to the abatement of principal and interest as provided for under the terms of said Note and Recapture Agreement.

NOW, THEREFORE, in consideration of the Note and to secure to Lender the repayment of the indebtedness evidenced by the Note, without interest, and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby grant and convey to Lender, with power of sale, the following described property located in the County of Will, State of Illinois, which has the address of (herein "Identified Property") and the Legal Description which is attached hereto TOGETHER, with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with said Property are hereinafter referred to as the "Property".

TO HAVE AND TO HOLD THE SAME, to the Lender forever, Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the property, and that the Property is unencumbered, except for encumbrances of record including, without limitation, the First Mortgage Loan. Borrower covenants that Borrower warrants and will defend generally the title of the Property against all claims and demands, subject to encumbrances of record.

PROVIDED, NEVERTHELESS, that if Borrower shall pay to the Lender all amounts payable by the Borrower under the Note, then this Mortgage shall be released at Lender's expense.

Borrower and Lender covenant and agree as follows:

THIS DOCUMENT WAS PREPARED
BY, AND AFTER RECORDING THIS
DOCUMENT SHOULD BE
RETURNED TO:

Will County Land Use Department
Community Development Division
58 E. Clinton Street, Suite 100
Joliet, Illinois 60432

PIN: insert PIN

Commonly known as: insert address

HOME Investment Partnership
Program

(The Above Space for Recorder's Use Only)

RECAPTURE AGREEMENT

THIS RECAPTURE AGREEMENT (this "Agreement") is dated as of the insert date, made by (the "Owner"), whose address is insert address, in favor of the Will County Land Use Department, Community Development Division (herein "County"), a public body corporate and politic, whose address is 58 E. Clinton Street, Suite 100, Joliet, IL 60432

WITNESSETH:

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

WHEREAS, the County has received allocations under Title II of the Cranston-Gonzalez National Affordable Housing Act, Public Law 101-625 (the "Act"), from the U.S. Department of Housing and Urban Development ("HUD").

WHEREAS, at the request of the Owner, the County has agreed to provide to the Owner a forgivable loan from the Allocated Funds pursuant to the terms of the HOME Investment Partnership Grant Agreement for use as direct financial assistance to the Owner in order to help the Owner meet the cost of purchasing the Residence in the amount of insert assistance amount (the "Loan"). In consideration of the foregoing, the Owner agrees to comply with the terms, conditions and covenants set forth below, and consents to be regulated and restricted by the County as herein provided and as provided for in the HOME

NOTE

§

Joliet, Illinois

DATE

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay to the Will County Land Use Department, 58 E. Clinton Street, Suite 100, Joliet, IL 60432 or order, the Principal sum of funded amount in written form (\$), including interest at the rate of Zero (0) % per annum within x months from the date of this Note with the following conditions relating to forgiveness of principal and interest:

- 1) For each full month after the date of this Note that borrower(s) abide by the regulations of the **HOME Investment Partnership Program known as the "HOME Program"** in effect at the date of execution of this Note, the principal balance shall be forgiven and abated by 1/6th of the amount of the original Note and all accrued interest on the principal shall likewise be abated. As a condition to receiving the abatement of principal and interest, the Borrower(s) shall:
 - a) Reside in the property secured by the Third Mortgage herein referenced as their principle residence, and
 - b) Not be in default under the terms of the First Mortgage for said property, and
 - c) The property secured by the First, Second and Third Mortgages herein shall not be transferred, sold or assigned, and
 - d) Not commit any "Recapture Event" or violate any of the terms and conditions of the Recapture Agreement, and
 - e) All statements contained in the Lender Loan Application considered for the **"HOME Program"** shall be true and correct as of the date of said Loan Application.
- 2) In the event Borrower(s) shall abide by the rules and regulations of the **"HOME Program"** and shall not violate the conditions contained in Paragraphs 1(a), (b), (c), and (d) above, all principal and interest shall be abated at the expiration of 60 months from the date of this Note.
- 3) In the event Borrower(s) shall be in default of the conditions set forth in Paragraphs 1(a), (b), or (d) above, the entire unpaid balance plus interest which accrues after the date this default occurs shall become immediately due and payable.
In the event Borrower(s) shall be in default of the condition set forth in Paragraph 1(c) above, the entire unpaid balance, without interest, which accrues after the date the default occurs shall become immediately due and payable. Interest at the rate of 0% per annum will not be charged in the event of a default based solely upon a violation of the condition of this Paragraph 1(c).

If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorneys' fees.

Borrower may prepay the principal amount of this Note outstanding in whole or in part of any time. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of the balance of the principal amount of the Note.

EXHIBIT B PRO RATA SCHEDULE FOR REPAYMENT

Homebuyer:

Property Address:

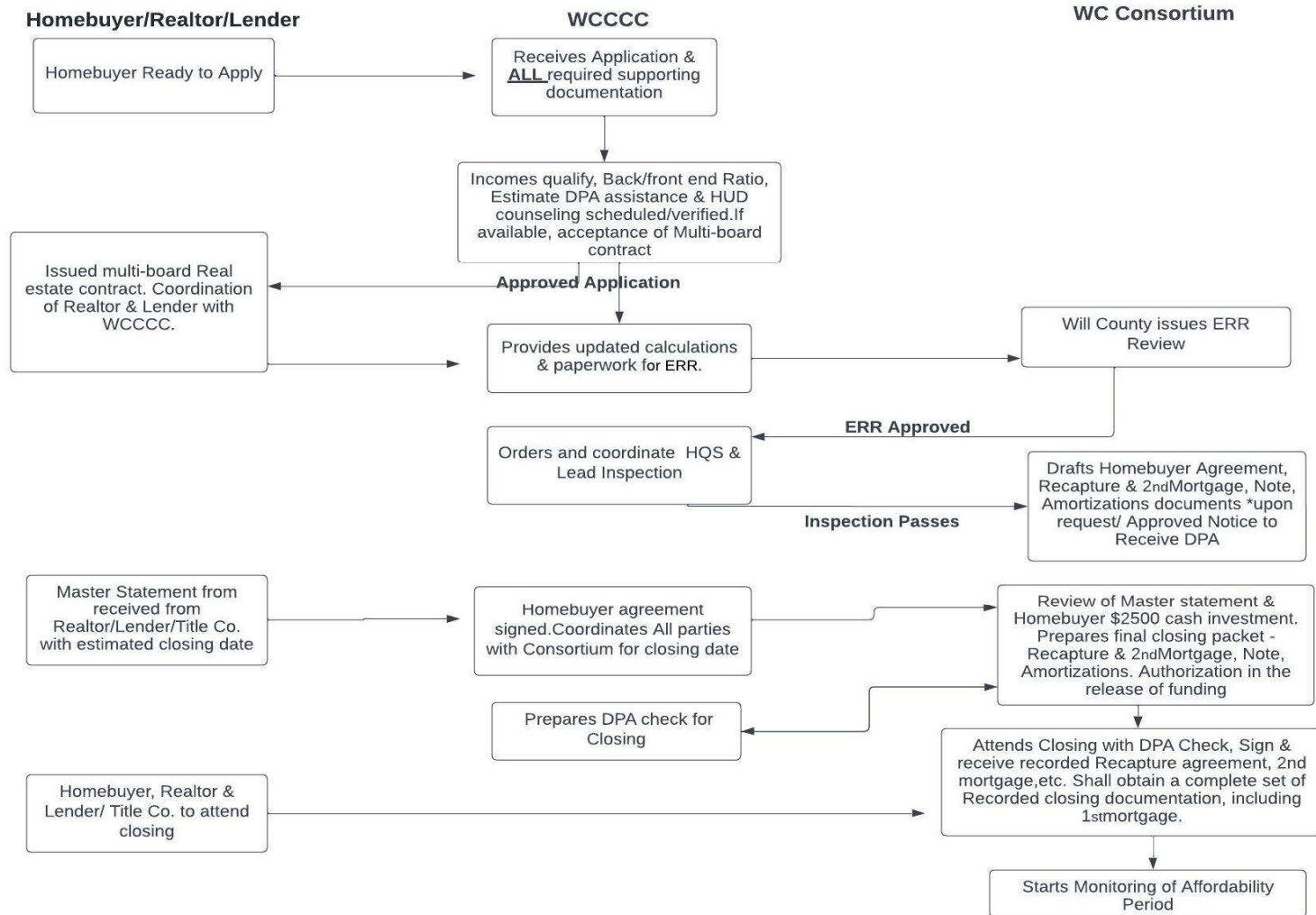
Loan Amount: \$19,900.00

Loan Date:

Affordability Period: 10 years (120 Months)

Month	Payment Amount	Amount Forgiven	Balance	Date
1	\$165.83	\$165.83	\$19,900.00	1/1/2019
2	\$165.83	\$165.83	\$19,734.17	2/1/2019
3	\$165.83	\$165.83	\$19,568.34	3/1/2019
4	\$165.83	\$165.83	\$19,402.51	4/1/2019
5	\$165.83	\$165.83	\$19,236.68	5/1/2019
6	\$165.83	\$165.83	\$19,070.85	6/1/2019
7	\$165.83	\$165.83	\$18,905.02	7/1/2019
8	\$165.83	\$165.83	\$18,739.19	8/1/2019
9	\$165.83	\$165.83	\$18,573.36	9/1/2019
10	\$165.83	\$165.83	\$18,407.53	10/1/2019
11	\$165.83	\$165.83	\$18,241.70	11/1/2019
12	\$165.83	\$165.83	\$18,075.87	12/1/2019
13	\$165.83	\$165.83	\$17,910.04	1/1/2020
14	\$165.83	\$165.83	\$17,744.21	2/1/2020
15	\$165.83	\$165.83	\$17,578.38	3/1/2020
16	\$165.83	\$165.83	\$17,412.55	4/1/2020
17	\$165.83	\$165.83	\$17,246.72	5/1/2020
18	\$165.83	\$165.83	\$17,080.89	6/1/2020
19	\$165.83	\$165.83	\$16,915.06	7/1/2020
20	\$165.83	\$165.83	\$16,749.23	8/1/2020
21	\$165.83	\$165.83	\$16,583.40	9/1/2020
22	\$165.83	\$165.83	\$16,417.57	10/1/2020
23	\$165.83	\$165.83	\$16,251.74	11/1/2020
24	\$165.83	\$165.83	\$16,085.91	12/1/2020
25	\$165.83	\$165.83	\$15,920.08	1/1/2021
26	\$165.83	\$165.83	\$15,754.25	2/1/2021
27	\$165.83	\$165.83	\$15,588.42	3/1/2021
28	\$165.83	\$165.83	\$15,422.59	4/1/2021
29	\$165.83	\$165.83	\$15,256.76	5/1/2021
30	\$165.83	\$165.83	\$15,090.93	6/1/2021
31	\$165.83	\$165.83	\$14,925.10	7/1/2021
32	\$165.83	\$165.83	\$14,759.27	8/1/2021
33	\$165.83	\$165.83	\$14,593.44	9/1/2021
34	\$165.83	\$165.83	\$14,427.61	10/1/2021
35	\$165.83	\$165.83	\$14,261.78	11/1/2021

Will County DPA Process



When are homebuyers ready to apply to WCCCC



1. Homebuyer Application

2. Supporting Income Documentation for all adult household members over 18 years of age to include:

- a. Copy of most recent federal tax return
- b. Copy of most recent business tax return, if self-employed
- c. Copy of current profit and loss business statement and balance sheet, if self-employed
- d. Copy of most recent two months' pay stubs
- e. Copy of most recent two months' source documentation of other income (if applicable):
 - SSA/SSI benefits
 - Alimony
 - Unemployment compensation
 - Pension
- f. Copy of most recent two months' checking account statements
- g. Copy of most recent two months' savings account statements
- h. Copy of most recent two months' retirement statements (401(k), IRAs, etc.)

3. Bank Pre-approval

Bank Pre-Approval Letter

Provides Data for Underwriting

- Purchase Price
- Loan Amount
- Loan Type



APPLICANT ELIGIBILITY

- Household must be low-income,
 - ❑ Total income does not exceed 80% (AMI).
- Two months of source documents to determine annual income for all adult members including 18 years:
 - ❑ Eligibility determination is based on anticipated income over the next 12 month
 - ❑ If HOME assistance is provided more than six months after the initial income determination, an income re-examination is required prior to funding.
- Income eligibility is determined using HUD IRS Adjusted Gross Income calculation.
- 8 hours homebuyer counseling from a HUD-approved housing counseling agency.
- \$2,500 minimum cash investment from Homebuyer

Homebuyer enters into Agreement with WC HOME Consortium

LONG-TERM AFFORDABILITY:

HOME Funds Provided as Direct Assistance to Homebuyer

Under \$15,000
\$15,000 to \$40,000
Over \$40,000

Affordability Period

5 Years
10 years
15 years

WILL COUNTY HOME CONSORTIUM DOWN PAYMENT ASSISTANCE AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 20____, between the County of Will, a public body corporate and politic ("County") and _____ ("Homebuyer").

WHEREAS, the County has Program ("HOME") funds, a Affordable Housing Act as Development ("HUD"); and

WHEREAS, the County administers income homebuyers in the program with interest at the rate of zero percent;

WHEREAS, Homebuyer is ("Residence"), and all the described in Exhibit A attached hereto;

NOW, THEREFORE, as a condition of the Program, Homebuyer makes the following covenants:

A. **Income Eligibility:** Homebuyer's household income does not exceed 80 percent of the Area Median Income for the County of Will.

B. **Housing Counseling:** Homebuyer must participate in this program of Completion prior to a completion of the program.

C. **Property Location:** Homebuyer must purchase property within County limits.

D. **Property Value:** The value of the property must not exceed 95 percent of the maximum purchase price for a single unit new construction home in the area.

E. **Property Standards:** The property must meet applicable County and applicable local health and safety codes.

M. NONCOMPLIANCE PROVISION

Noncompliance with the recapture provision means that:

1. The Homebuyer no longer occupies the HOME-assisted property as his or her principal residence but no transfer has occurred;
2. The property was sold during the period of affordability and the applicable recapture provision was not enforced; or
3. The Homebuyer refinanced the HOME-assisted property in a manner such that it is not a Permitted Refinancing (as defined in paragraph N).

In the event of non-compliance, the prorated reduction included in the recapture provision with respect to a property transfer does not apply and the full amount of the down payment provided is due and payable.

N. SUBORDINATION OF COUNTY OF WILL MORTGAGE

The County of Will may subordinate its existing Loan in the event of a refinance of the Homebuyer's first mortgage under the following circumstances **provided there is no increase to the outstanding principal balance:**

1. The new first mortgage has a lower interest rate (must be fixed); or
2. The new first mortgage has a shorter term or a lower monthly payment; and
3. No cash payout to the Homebuyer as a result of the refinancing.

(Signature Page Follows)

Executed this _____ day of _____, 20____.

WILL COUNTY HOME CONSORTIUM

(NAME)

HOME BUYER(S)

(NAME)

A Homebuyer Certification form sent annually, requiring signature to verify property remains their principal residence.

HOMEOWNER'S CERTIFICATION OF PRINCIPAL RESIDENCE

As required by HUD NSP and HOME Investment Partnership Programs, Will County is required to certify annually the principal residence of the homeowner who has received federal funding for homeownership. The participant's address should match the investment property address for continued eligibility in homebuyer funding.

Certification Instructions:

Please SIGN and return this certification page along with ONE of the following options of verification:

- Copy of State-Issued Identification Card with current address (Driver's License or State ID)
- Notarized Copy (Bottom of Page)
- Copy of Recent Utility Bill

Please return the completed form to NAME via email or FAX, or by mail to Will County Land Use Department Attn: NAME, 58 E. Clinton St., Suite 100, Joliet, IL 60432.

I (We) certify penalties of perjury that I am (we are) the homeowner(s) of the following property and will occupy the property as my (our) principal residence:

PIN: _____

Property Address: _____

The above Property Address has been my (our) "Principal Residence" since _____ (date)

Homeowner's Signature _____ Homeowner's Signature _____

Print Name _____ Print Name _____

Date _____ Date _____

NOTARY

I, _____, at the County/City of _____, on this _____ day of _____, 20____, before me, the subscriber, a Notary Public, in and for said State and County/City, personally appeared _____,

known to me to be, (or satisfactorily proven) to be the person(s) whose name(s) is/are subscribed to the within affidavit, and acknowledged that he/she/they executed the same for the purpose therein contained, and further acknowledge the information therein is correct, and in the presence signed and sealed the same.

My Commission Expires: _____

Notary Public Signature _____

Demonstration of Underwriting workbook

54					
55		Subsidy Calculation			
56	31	Gap	\$0	Total Uses less Total	
57	32	Maximum Amount of Assistance	\$0	Max of 20% and Max c	
58	33	Amount of Assistance	\$0	Amount to be provide	
59	34	Additional Assistance Needed	\$0	If greater than \$0, bu	
60					
61		Cash Requirements			
62	35	Equity Requirement	\$2,500	\$2500 - of their own fi	
63	36	Closing Costs			
64	37	Total Cash Needed	\$2,500		
65					

Following
presentation

Next Presentation

In-Depth Overview
From the Individual Lens



Homebuyer
9:00 AM



Realtors
11:00 AM



Lenders
10:00 AM

Contact Information:

FOR MORE INFORMATION CONTACT

MICHELLE WILSON | (815) 722-0722 EXT 2220

EMAIL: CONTACTUS@WCCCC.NET



JACQUELINE LOZADA
PROGRAM MANAGER
COMMUNITY DEVELOPMENT DIVISION

WILL COUNTY LAND USE DEPARTMENT
58 E. CLINTON STREET, SUITE 100
JOLIET, IL 60432

jlozada@willcountyillinois.com
www.willcountylanduse.com

DIRECT LINE: (815) 774-3372
FAX: (815) 774-7895



TAWONNA REED
PROGRAM MANAGER
COMMUNITY DEVELOPMENT DIVISION

WILL COUNTY LAND USE DEPARTMENT
58 E. CLINTON STREET, SUITE 100
JOLIET, IL 60432

TReed@willcountylanduse.com
www.willcountylanduse.com

DIRECT LINE: (815) 774-3377
FAX: (815) 774-7895

Please submit question in
QA Section

Thank you for Listening

NOTE

\$

Joliet, Illinois

DATE

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay to the Will County Land Use Department, 58 E. Clinton Street, Suite 100, Joliet, IL 60432 or order, the Principal sum of funded amount in written form (\$), including interest at the rate of Zero (0) % per annum within x months from the date of this Note with the following conditions relating to forgiveness of principal and interest:

- 1) For each full month after the date of this Note that borrower(s) abide by the regulations of the **HOME Investments Partnership Program known as the "HOME Program"** in effect at the date of execution of this Note, the principal balance shall be forgiven and abated by $1/x^{th}$ of the amount of the original Note and all accrued interest on the principal shall likewise be abated. As a condition to receiving the abatement of principal and interest, the Borrower(s) shall:
 - a) Reside in the property secured by the Third Mortgage herein referenced as their principle residence, and
 - b) Not be in default under the terms of the First Mortgage for said property, and
 - c) The property secured by the First, Second and Third Mortgages herein shall not be transferred, sold or assigned, and
 - d) Not commit any "Recapture Event" or violate any of the terms and conditions of the Recapture Agreement, and
 - e) All statements contained in the Lender Loan Application considered for the **"HOME Program"** shall be true and correct as of the date of said Loan Application.
- 2) In the event Borrower(s) shall abide by the rules and regulations of the **"HOME Program"** and shall not violate the conditions contained in Paragraphs 1(a), (b), (c), and (d) above, all principal and interest shall be abated at the expiration of 60 months from the date of this Note.
- 3) In the event Borrower(s) shall be in default of the conditions set forth in Paragraphs 1(a), (b), or (d) above, the entire unpaid balance plus interest which accrues after the date the default occurs shall become immediately due and payable.

In the event Borrower(s) shall be in default of the condition set forth in Paragraph 1(c) above, the entire unpaid balance, without interest, which accrues after the date the default occurs shall become immediately due and payable. Interest at the rate of 0% per annum will not be charged in the event of a default based solely upon a violation of the condition of this Paragraph 1(c).

If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorneys' fees.

Borrower may prepay the principal amount of this Note outstanding in whole or in part of any time. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of the balance of the principal amount of the Note.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. The Note shall be the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Any notice of Borrower provided for in this Note shall be given by mailing such Notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the Note holder. Any notice to the Note holder shall be given by mailing such notice by certified mail, return receipt requested, to the Note holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower.

The indebtedness evidenced by this Note is secured by a Mortgage, dated DATE and reference is made to the Mortgage for rights as to acceleration of the indebtedness evidenced by this Note.

Borrower: _____

Legal Description:

Permanent Real Estate Index Number(s):

Commonly known as:

Prepared By & Return To:

Will County Land Use Department
Community Development Division
58 E. Clinton Street, Suite 500
Joliet, Illinois 60432

SECOND MORTGAGE

\$ [REDACTED] PRINCIPAL AMOUNT

THIS MORTGAGE is made this [REDACTED] (DATE) between the Mortgagor, (herein “Borrower”) and the Mortgagee, **Will County Land Use Department, Community Development Division**, a public body corporate and politic, whose address is 58 E. Clinton Street, Joliet, IL, 60432 (herein “Lender”).

WHEREAS, Lender has made a loan to Borrower pursuant to the Home Investment Partnership Program (Title II, The Cranston Gonzalez National Affordable Housing Act, Public Law No. 101-625, 104 Statute 4079 (1990) and regulations issued thereunder (24 CFR Part 92)(the “Home Program”); and

WHEREAS, Borrower is indebted to Lender in the principal sum of [REDACTED] (sum in written form) (\$ [REDACTED]) evidenced by the certain Note from Borrower in favor of the County of Will dated [REDACTED] (DATE) , (herein “Note”). Subject to the abatement of principal and interest as provided for under the terms of said Note and Recapture Agreement.

NOW, THEREFORE, in consideration of the Note and to secure to Lender the repayment of the indebtedness evidenced by the Note, without interest; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby grant and convey to Lender, with power of sale, the following described property located in the County of Will, State of Illinois, which has the address of [REDACTED] (herein “Identified Property”) and the Legal Description which is attached hereto TOGETHER, with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage, and all of the foregoing, together with said Property are hereinafter referred to as the “Property”.

TO HAVE AND TO HOLD THE SAME, to the Lender forever, Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the property, and that the Property is unencumbered, except for encumbrances of record including, without limitation, the First Mortgage Loan. Borrower covenants that Borrower warrants and will defend generally the title of the Property against all claims and demands, subject to encumbrances of record.

PROVIDED, NEVERTHELESS, that if Borrower shall pay to the Lender all amounts payable by the Borrower under the Note, then this Mortgage shall be released at Lender’s expense.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the indebtedness evidenced by the Note.

2. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any Mortgage, Deed of Trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and imposition attributable to the Property which may attain a priority over this Mortgage.

3. **Insurance.** Borrower shall keep the Property, including all buildings, improvements and fixtures now or later located thereon, insured against loss by fire, hazards including within the term "extended coverage" and any other hazards for which the Lender requires insurance. If the Property, in whole or part is located within a federally designated plane area, and if flood insurance is available for that area, Borrower shall procure and maintain floodplain insurance in amounts reasonably satisfactory to the Lender. This insurance shall be maintained in an amount which is at least the full insurable value at all times while this Security Instrument is in effect.

The insurance shall be issued by an insurance company or companies licensed to do business in the State of Illinois. All insurance policies and renewals shall be acceptable to the Lender and shall contain a loss payable clause in favor of the Lender, affording all rights and privileges customarily provided under the so-called standard mortgage clause. If the Lender requires, the insurance policies shall provide for not less than ten days written notice to the Lender before cancellation, non-renewal, termination, or change in coverage. Borrower shall promptly give to the Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and the Lender. The Lender may make proof of loss if such is not made promptly by Borrower.

The immediately preceding two paragraphs notwithstanding, so long as the Property is subject to a first mortgage ("The First Mortgage") which secures the First Mortgage Loan and which requires Borrower to maintain insurance on the Property, Borrower's compliance with insurance requirements imposed with respect to the First Mortgage shall be deemed to satisfy Borrower's obligations under this Paragraph 3 of this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

4. **Preservation and Maintenance of Property; Use and Occupancy Restrictions.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. Borrower acknowledges that the Property is subject to certain use and occupancy restrictions imposed by the Home Program which requires, among other things, that the Property is to be used for "low income housing" as defined by the Home Program.

5. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Lender's interest. Any amounts disbursed by Lender pursuant to this Paragraph 5, with interest thereon, at the rate of 6% per annum, shall become additional indebtedness of Borrowers secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this Paragraph 5 shall require Lender to incur any expense or take any action hereunder.

6. **Inspection.** Lender may take or cause to be made reasonable entries and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the property.

7. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed or trust or other security agreement with a lien which has priority over this Mortgage.

8. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein, or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

9. **Governing Laws; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end, the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses", and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

10. **Acceleration; Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage on the Note secured by this Mortgage, including the covenants to pay when due any sum secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in Paragraph 8 hereon specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default, or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the Notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the power of sale hereby granted and any other remedies permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Paragraph 10, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, Lender shall cause a copy of a notice of sale to be served upon the persons, if any, in possession of the Property. Lender shall publish a notice of sale and the Property shall be sold at public auction in the manner prescribed by applicable law. Lender or Lender's designee may purchase the property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all sums secured by this Mortgage; (b) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable attorneys' fees and costs of title evidence; and (c) the excess, if any, to the person or persons legally entitled thereto.

Notwithstanding the foregoing provisions of this Paragraph 10, in no event shall this Mortgage be foreclosed while the Property shall be subject to the First Mortgage. The foregoing sentence shall not be construed to prevent Lender from exercising any other right or remedy hereunder, or at law or in equity. The lien of this Mortgage shall at all times be subject and subordinate to the First Mortgage.

11. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier of (i) sale of the Property pursuant to the power of sale contained in this Mortgage or (ii) entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums constituting the default actually existing under this Mortgage and the Note at the commencement of foreclosure proceedings under this Mortgage; (b) Borrower cures all breaches of any other covenants or agreement of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in Paragraph 10 hereof, including, but not limited to reasonable attorneys' fees; and (d) Borrower takes such action as

Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligation secured hereby shall remain in full force and effect as if no acceleration had occurred.

12. Release. Upon payment of all sums due and payable as secured by this Mortgage, Lender shall discharge this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

13. Waiver of Homestead. Borrower hereby waives all right of homestead exemption in the Property.

14. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residences and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any hazardous substances or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in Paragraph 14, "Hazardous Substances" are those substances denied as toxic or hazardous substances by Environmental Law plus the following substances: gasoline, kerosene, or other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde and radioactive materials. As used in this Paragraph 14, "Environmental Law" means federal laws and laws of the State of Illinois that relate to health, safety, or environmental protection.

15. Legislation Affecting Lender's Rights. If enactment or expiration of applicable laws has the effect of rendering any provisions of the Deferred Payment Loan Note or this Mortgage unenforceable according to its terms, the Lender, at its option, may require immediate payment in full of all sums secured by this Mortgage. If the Lender exercises this option, the Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date of notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

16. Attorney's Fees. Borrower agrees to pay and authorizes the Lender to retain, attorneys' fees reasonably incurred by the Lender in case of foreclosure, subject to the applicable State law then in effect.

17. Subordination of Second Mortgage. This Second Mortgage may be subordinated to second position after the primary lender (First Mortgage). No other subordinating positions will be approved by the Lender under any circumstances.

IN WITNESS WHEREOF, the Borrower has executed this Mortgage.

Borrower:

STATE OF ILLINOIS)
 : SS.
COUNTY OF WILL)

I, the undersigned, a Notary Public, in and for said County and State aforesaid, do hereby certify that the Borrower(s) named above, personally known to me to the same person(s) whose name(s) is/are subscribed to the foregoing instrument, as having executed the same, appeared before me this day in person and acknowledged that he/she/they signed, sealed and delivered the said instrument as his/her/their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial seal this _____ day of _____, 20__.

Notary Public

(Seal)

My Commission expires on _____.

Legal Description:

PIN:

Commonly known as:

SAMPLE

WILL COUNTY HOME CONSORTIUM DOWN PAYMENT ASSISTANCE AGREEMENT

THIS AGREEMENT is entered into this [redacted] day of [redacted] 20__, between the County of Will, a public body corporate and politic, ("County") and [redacted] ("Homebuyer").

WHEREAS, the County has received an allocation of HOME Investment Partnerships Program ("HOME") funds, authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act as amended, from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, the County administers a Down Payment Assistance Program to assist low-income homebuyers in the purchase of a home by providing a deferred, forgivable loan with interest at the rate of zero percent (0%); and

WHEREAS, Homebuyer is purchasing that certain real property known as [redacted] ("Residence"), and all the improvements now or hereafter located thereon, legally described in **Exhibit A** attached to and made a part of this Agreement;

NOW, THEREFORE, as a condition to participating in the Down Payment Assistance Program, Homebuyer makes the following covenants, representations and warranties:

- A. Income Eligibility:** Homebuyer represents and warrants that complete and accurate information has been provided to the County and that he/she qualifies as a low-income household. Low-income is defined as an individual or household whose total income does not exceed 80 percent of the area median income (AMI).
- B. Housing Counseling:** Homebuyer is required to receive housing counseling as a participant in this program. Homebuyer will provide the County of Will with a Certificate of Completion prior to a closing date being scheduled.
- C. Property Location:** Homebuyer is purchasing a property which is located within the County limits.
- D. Property Value:** The value of the property being purchased by the Homebuyer may not exceed 95 percent of the median purchase price for that type of single family housing for the area, as published by HUD. The purchase price of the property is [redacted] (\$ [redacted]), which does not exceed the maximum purchase price limit of \$271,000 for a single unit existing home, or \$286,000 for a single unit new construction home located in Will County, Illinois.
- E. Property Standards:** The property has passed a HQS property inspection and meets applicable County codes. Homebuyer agrees to maintain the property in accordance with applicable County codes and program property standards throughout the period

of affordability. Additionally, a visual assessment of the property was made and lead hazards, if found, have been mitigated by a qualified lead contractor to HUD standards by the owner/seller of the property prior to the execution of this Agreement.

- F. Ownership:** Homebuyer is acquiring ownership in fee simple title of an existing single family detached home, condominium, townhouse or manufactured home on a fixed foundation.
- G. Completion of Purchase and Occupancy:** Homebuyer agrees that the home purchase funded in part with HOME funds must be completed no later than 90 days after the date of this Agreement. Homebuyer agrees to occupy the property as his/her principal residence no later than 60 days after the closing date.
- H. Principal Residence:** Homebuyer agrees to occupy the property as his/her principal residence throughout the period of affordability. Should the Homebuyer (1) no longer occupy the property as his/her principal residence or (2) rent out the property to another party during the period of affordability, the entire amount of HOME assistance provided must be paid back to the County. These requirements differ from those triggered by recapture provisions when there is a sale (either voluntary or involuntary) of the property.
- I. Ongoing Monitoring:** Homebuyer agrees to execute and return to the County the Homebuyer Certification of Principal Residency form on an annual basis. Said form will be sent to the Homebuyer each calendar year throughout the period of affordability.
- J. Use of HOME Funds:** Homebuyer agrees that the HOME funds provided will be used solely for down payment costs in connection with the purchase of the Residence.
1. The County has agreed to provide down payment assistance to Homebuyer in the form of a forgivable loan with interest at the rate of zero percent ("Loan") from its allocation of HOME funds in the amount of _____ (\$ _____) in connection with the purchase of the above referenced property. This Loan is for acquisition only (without rehabilitation).
 2. Homebuyer acknowledges that the Loan will be evidenced, secured and governed by the following documents: the Promissory Note, Third Mortgage and Recapture Agreement ("Loan Documents") executed by the Homebuyer in favor of the County in the amount of _____ (\$ _____). The _____ First/Second/Third _____ Mortgage and Recapture Agreement will be recorded with the Recorder of Deeds in Will County, depending on the property's location.

K. Affordability Restrictions

The period of affordability is the length of time the home being purchased is considered HOME-assisted and must be the principal residence of the Homebuyer. The County uses a recapture provision to secure long-term affordability, which means

the period of affordability is based on the amount of HOME funds provided as Down Payment Assistance to the Homebuyer.

HOME Funds Provided as Direct Assistance to Homebuyers	Affordability Period
< \$15,000	5 years
\$15,000 - \$40,000	10 years
> \$40,000	15 years

1. Homebuyer acknowledges that the Loan in the amount of \$ is subject to an affordability period of (x) years as specified in the chart above and that he/she must occupy the property as his/her principal residence during the (x) year period of affordability as of the completion date in IDIS.
2. Homebuyer acknowledges that in the event that he/she occupies the property as his/her personal residence throughout the period of affordability, abides by the rules and regulations of the HOME program and complies with the terms of this Agreement and the Loan Documents, the Loan will be completely forgiven.

L. Recapture Provision

The recapture provision requires that all or a portion of the down payment assistance provided to the Homebuyer be recaptured from the net proceeds of the sale. Net proceeds of a sale are the sales price minus superior loan repayment (other than HOME funds) and any closing costs. Under no circumstances can the County of Will recapture more than is available from the net proceeds of the sale. If the Homebuyer transfers the property either voluntarily or involuntarily during the period of affordability, the County of Will may recover, from available net proceeds, all or a portion of the HOME down payment assistance provided to the Homebuyer. Under recapture, there is no requirement that the original HOME-assisted Homebuyer sells the unit to another low-income homebuyer.

1. Homebuyer acknowledges that the sale or transfer of the property **within the affordability period** triggers the recapture of all or a portion of the entire amount of the Loan provided to the Homebuyer.
2. Homebuyer acknowledges that for down payment assistance provided in the amount of \$, the County will forgive x % of the Loan for each complete year that the Homebuyer has occupied the property during the period of affordability.
3. Homebuyer acknowledges that in the event that there are insufficient net proceeds available at sale to recapture the full amount due, the Homebuyer is not required to repay the difference between the full amount due and the amount that the County is able to recapture from available net proceeds.
4. Homebuyer acknowledges that the recapture of net proceeds releases the Homebuyer from additional HOME affordability obligations.

M. NONCOMPLIANCE PROVISION

Noncompliance with the recapture provision means that:

1. The Homebuyer no longer occupies the HOME-assisted property as his or her principal residence but no transfer has occurred;
2. The property was sold during the period of affordability and the applicable recapture provision was not enforced; or
3. The Homebuyer refinanced the HOME-assisted property in a manner such that it is not a Permitted Refinancing (as defined in paragraph N).

In the event of non-compliance, the prorated reduction included in the recapture provision with respect to a property transfer does not apply and the full amount of the down payment provided is due and payable.

N. SUBORDINATION OF COUNTY OF WILL MORTGAGE

The County of Will may subordinate its existing Loan in the event of a refinance of the Homebuyer's first mortgage under the following circumstances **provided there is no increase to the outstanding principal balance:**

1. The new first mortgage has a lower interest rate (must be fixed); or
2. The new first mortgage has a shorter term or a lower monthly payment; and
3. No cash payout to the Homebuyer as a result of the refinancing.

(Signature Page Follows)

Executed this _____ day of _____, 20__.

WILL COUNTY HOME CONSORTIUM

HOME BUYER(S)

(NAME)

(NAME)

Exhibit A.

LEGAL DESCRIPTION

Property Identification No.:

Commonly known as:

SAMPLE



WILL COUNTY ILLINOIS

LAND USE DEPARTMENT

JENNIFER BERTINO-TARRANT
WILL COUNTY EXECUTIVE

JACQUELINE M. LOZADA
PROGRAM MANAGER

P. (815) 774-3372
F. (815) 774-7895
E. jlozada@willcountylanduse.com

Land Use Department Building
58 E. Clinton Street, Suite 100
Joliet, IL 60432

Will County Down Payment Assistance Program

RE: FHA Case Number: {INSERT FHA CASE NUMBER}

Date

To Whom It May Concern:

The County of Will, a public body corporate and politic organized in the State of Illinois, funds a Down Payment Assistance Program using HOME Investment Partnership Program (HOME) funds received through the U.S. Department of Housing and Urban Development (HUD). Through this program, homebuyers are provided secondary financing for the purchase of a home. The financing is secured with a second mortgage in the name of the County of Will. The Down Payment Assistance Program is administered by Will County Center for Community Concerns (WCCC) on behalf of the County of Will. WCCC is a non-profit organization with a Federal Tax ID number of {INSERT TAX ID} located at {INSERT ADDRESS}.

The Down Payment Assistance Program has approved {NAME OF BORROWER} to receive financing up to the amount of {INSERT LOAN AMOUNT} to assist with the purchase of the property located at {INSERT ADDRESS}.

If there are any questions regarding this approval, please contact WCCC at {INSERT PHONE} or {INSERT STAFF NAME} at the County of Will at {INSERT PHONE}.

Jacqueline Lozada