

The Illinois Hardest Hit Fund® Program Fact Sheet

www.illinoishardesthit.org

855-873-7404 (hotline)

What is the Hardest Hit Fund Program (HHF)?

The HHF program provides mortgage assistance to homeowners who have experienced at least a 15% income reduction due to a qualifying hardship event and who meet the eligibility criteria. The assistance allows eligible households to avoid foreclosure while they work to regain employment and financial stability. In 2011, IHDA was approved by the US Treasury Department to administer \$445,603,557 in Hardest Hit funding. In 2016, IHDA was awarded an additional \$269,474,060 of funding to expand the HHF program.

What is a qualifying hardship event?

Applicants must have experienced a reduction in income due to a qualifying hardship event that was though no fault of their own. Hardship must have occurred after January 1st, 2010 and after property purchase date.

- Unemployment
- Underemployment
- Decrease/Loss of in Business Income
- Loss of Income Due to Disability or Health-Related Event
- Death of a Spouse or Title Holder
- Divorce of a Spouse or Title Holder

What are the eligibility criteria?

- Property located in Illinois
- Primary residence of applicant(s)/title holders
- Property is owner occupied 1-4 unit single family, multi-family (4 unit max), townhome, condo, mobile home
- Household must have experienced a 15% reduction in income
- Household income cannot exceed 120% Area Median Income
- Household liquid assets cannot exceed \$17,500
- Loan must be secured by a 1st lien position (Home Equity Loans are accepted if in 1st position)
- Unpaid principal balance must not exceed \$500,000
- Loan must be fixed rate or an adjustable (No interest-only or negative amortization loans)
- Lender must be participating in the HHF program and willing to accept payments on applicant's behalf
- Applicant(s) must not have been convicted of a mortgage related felony in the last 10 years

What types of assistance is available?

The Illinois Hardest Hit Program offers two types of assistance:

- 1. Reinstatement Assistance (RA)** is a one-time payment of all mortgage arrearage, fees, and penalties.
- 2. Monthly Mortgage Payment Assistance (MPA)** pays 100% of monthly mortgage payments for up to 12 months.

*HHF assistance is provided as a 5 year forgivable loan. A lien will be filed against the property. This assistance is forgiven over the 5 year loan term. All borrowers approved for the program will complete a full set of loan documents. Funds may have to be repaid to IHDA if you sell your home at a profit or refinance during the 5 year loan term.

How much assistance can my household receive?

The total amount of assistance that is available to eligible households can receive up to \$35,000.

How do I apply?

- Start your FREE application at www.illinoishardesthit.org.
- Each applicant is assigned an HHF Sponsor Agency (or you can choose one) to pre-screen your application for eligibility and answer any questions you have along the way.
- Households must provide a signed "Hardship Letter" detailing their hardship circumstances.
- If you meet all program requirements, your Sponsor will submit your application to IHDA for underwriting/ approval.
- The entire application review process by your HHF Sponsor and IHDA can take up to 120 days for processing and notification of approval or denial. You should continue to pay your mortgage while your application is being reviewed.