



Community Connections Home Buyer Assistance Program Program Description

The Community Connections Home Buyer Assistance Program is a pilot program providing funds to three groups of first responders, namely Chicago police officers, firefighters, and paramedics and to eligible career service employees to purchase homes in targeted Chicago neighborhoods to enhance revitalization efforts. This program has a renewed focus on encouraging first responders and career service employees to live in the communities they service, thereby promoting neighborhood improvement through increased home sales.

The Community Connections Home Buyer Assistance Program Ordinance authorizes funds to be appropriated from the Affordable Housing Opportunity Fund (AHOF) to serve as the source of the forgivable loans subject to City's annual appropriation and availability.

ELIGIBILITY

Eligible participants must be City of Chicago, non-probationary, full time, in good standing, first responders or career service employees who are members of Bargaining Units 53, represented by Local 1092 and Unit 54, represented by Local 1001 **(See Attached List for Eligible Titles)**.

INCOME

Total gross household income cannot exceed 150% area median income or AMI **(See chart below)**. All sources of household income are reviewed to determine eligibility.

AWARD

Eligible first responders and career service employees will be awarded a \$30,000, 10-year, no interest, forgivable loan to purchase their primary residence in the City of Chicago. One forgivable loan is available per household and may be used for all customary closing costs for the purchase, including down-payment and mortgage loan principal reduction. Cash out is not allowed. Applications will be approved on a first come first serve basis until loans funds are exhausted.

PRINCIPAL RESIDENCE

The eligible applicant must occupy the home as a primary residence for 10 years. After residing in the home for 10 years, the \$30,000 loan is fully forgiven. \$3,000 of the loan is forgiven every year during the 10 year forgivable loan period. Monthly payments are not required for the \$30,000 forgivable loan.

Should the applicant/owner move out of or sell the primary residence before the 10 year period expires, the borrower must pay to the City the balance of the \$30,000 that has not been forgiven at a 0% interest rate. Residency compliance will be monitored by the Department of Housing/DOH.

A primary residence is a home occupied primarily for residential purposes and does not include a home used as an investment property, as a recreational home or a home in which 15 percent or more of its total area is used for a trade or business.

ONE TO TWO UNIT FAMILY HOME

Each residence financed must be a single family or two-unit home located in a City of Chicago target area census tract (**See census tract list**). A single family residence includes a detached home, one unit of a duplex, a townhouse or a condominium unit. If the residence is a two unit/2-Flat building, one unit of the residence must be the principal residence of the eligible employee/building owner.

LENDER PARTICIPATION

Our first responders and career service employees are allowed to utilize a lender of their choice, lender approval is not required. All lenders are welcome to participate in the program and are to utilize their standard underwriting procedures for loan approval.

All loans, except predatory loans, can be utilized with the Community Connections Home Buyer Assistance Program.

REQUIREMENTS

- Eligible properties: Single family and Two-Unit/2-Flat homes located in a City of Chicago census tract within-the targeted area (see census tracts list).
- A complete application with supporting documentation including a lender pre-approval will be required for reservation of funds.
- The applicant must be one of the borrowers on the first mortgage loan and must live in the acquired home as his or her primary residence for 10 years after purchasing.
- A lien/mortgage on the home for the \$30,000 will be recorded with the Cook County Recorder of Deeds after closing.
- Owner-occupancy compliance will be monitored by DOH Monitoring and Compliance Division.
- Maximum gross household income: 150% AMI.

<p>150% AMI 2018-2019 INCOME LIMITS Effective April 1, 2018 until superseded</p>	Household Size	Maximum Household Income
	1 person	\$88,950
	2 persons	\$101,550
	3 persons	\$114,300
	4 persons	\$126,900
	5 persons	\$137,100
	6 persons	\$147,300

DOH CONTACT: Marcia Baxter at Marcia.Baxter@cityofchicago.org or 312. 744. 0696