

# Housing McHenry County

## Down Payment Assistance for First-Time Homebuyers

### Assistance Available

**If your income is more than 50% of the Area Median Income (AMI) but less than 80%:**

- > **\$3,000 down payment and closing cost assistance**
- > **\$20,000 maximum second mortgage funds**

**If your income is less than 50% of AMI:**

- > **\$5,000 down payment and closing cost assistance**
- > **\$30,000 maximum second mortgage funds**

### You qualify if:

- > **Gross income less than 80% of AMI**
- > **Debt to income ratios are below 35%/41%**
- > **Housing debt ratio must be at least 25%**
- > **Home is located in McHenry County**
- > **Contribute \$1,000 in own funds**

**Corporation for Affordable Homes of McHenry County**  
1316 N. Madison St.  
Woodstock, IL 60098

Phone: 815.206.5805

Fax: 815.206.5820

E-mail: [mstein@cahmco.org](mailto:mstein@cahmco.org)

[www.cahmco.org](http://www.cahmco.org)

The Corporation for Affordable Homes of McHenry County, in partnership with the Illinois Housing Development Authority, has developed a program which will give many first-time homebuyers with limited income the boost they need to become homeowners.

The down payment and closing cost assistance is in the form of a forgivable loan, forgiven over a period of five years.

The second mortgage funds are secured by a note and mortgage, and sit as a lien on the property — due and payable in full at the sale or transfer of the home.

Funds are awarded based on need, and they are distributed on a first-come, first-served basis.

These funds can be doubled up with the first-time homebuyer tax credit and any down payment assistance offered by approved lenders.

For administering the program, CAHMCO is paid between \$400 and \$500 per closing, the funds for which are deducted from the buyer's down payment and closing cost assistance amount.

## What do I do now?

- Contact an approved lender to get pre-qualified for a first mortgage.
- Contact CAHMCO to get a pre-purchase seminar voucher.
- Sign up for the pre-purchase seminar with Consumer Credit Counseling of McHenry County. Call 815.338.5757 to reserve a spot. If you do not get a voucher from CAHMCO, the cost for this seminar is \$50.
- Work with your local real estate sales professional to find the home that is right for you!



# Program Background

The Corporation for Affordable Homes of McHenry County has provided first-time homebuyer assistance to nearly 400 families since 1998.

As a part of its mission to expand affordable housing opportunities in the County, CAHMCO offers down payment help to bridge that difficult hurdle of achieving the dream of stable homeownership.

Buyers are required to attend credit and homebuyer counseling to ensure they are prepared for the realities of homeownership. The debt-to-income ratios are established to further ensure buyers are taking on only that which they can reasonably handle in their new home.

In addition to its first-time homebuyer program, CAHMCO also owns and manages affordable rental property in the County.

It is working with Neighborhood Stabilization Program funds to renovate and occupy abandoned, foreclosed homes. Homes through NSP are available for sale or rent.

CAHMCO is the administrator of McHenry County's Continuum of Care, a network of social service agencies, businesses and government bodies working toward ending homelessness and addressing the needs of the homeless and those at risk of becoming homeless. The

Continuum applies for federal funds each year to fund projects which provide services and shelter to the homeless or those at risk of becoming homeless.

It advocates for opportunities to better and more affordably house families and individuals with mental illness, developmental disabilities and traumatic brain injuries.

With funding from the Continuum of Care, the Mental Health Board and the McHenry County Senior Services Commission, CAHMCO commissioned a housing study in 2008 which quantified the significance of the affordable housing gap throughout McHenry – for families earning \$15,000 as well as those nearer to \$100,000.

Everyone deserves decent housing. Everyone lives better when they are housed better. This is the mission that drives CAHMCO's work everyday.

If you would like to learn more about CAHMCO's programs, please visit our web site at [www.cahmco.org](http://www.cahmco.org).

CAHMCO's work is funded by CDBG grants, project delivery fees and private contributions.

Want to get involved? Please contact our office to learn how you can help!

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## 2009 Household Income Limits

Household Size	50% of Area Median Income	80% of Area Median Income
1	\$26,400	\$ 42,200
2	\$30,150	\$ 48,250
3	\$33,950	\$ 54,250
4	\$37,700	\$ 60,300
5	\$40,700	\$ 65,100
6	\$43,750	\$ 69,950
7	\$46,750	\$ 74,750
8	\$49,750	\$ 79,600

