

American Dream Down Payment Initiative (ADDI) Program for First Time Home Buyers

2005-2006 Program Highlights

GOAL: To make the “American Dream,” of home ownership a reality for first-time home buyers in Cook County. This program provides financial assistance to income-qualified families who are first-time home buyers to purchase single family housing that will serve as the family’s principal residence in suburban Cook County.

TYPE OF ASSISTANCE AVAILABLE: Qualified buyers will receive cash to meet down payment and closing costs through a five-year forgiveable second mortgage loan (second lien) held by Cook County. This means that twenty percent (20%) of the loan amount will be forgiven for each year the home owner continues to reside in the home. The loan will become a grant if the home owner stays in the home for five years and the home owner will not need to repay any money to Cook County. If the home is sold prior to the end of the five-year period, the homeowner shall pay Cook County 20 percent of the loan amount for every year remaining.

AMOUNT OF ASSISTANCE: The financial assistance to the home buyer is six percent (6%) of the purchase price of a single family housing unit or \$10,000, whichever is greater.

PROPERTY VALUE LIMIT: The maximum appraised value of an ADDI-assisted property to be acquired by a first-time home buyer in Cook County must not exceed \$ 275,200.

The maximum appraised property value is modified from time to time by the U.S. Department of Housing and Urban Development (HUD). Such modifications are automatically incorporated into the Cook County ADDI Program.

PROPERTY RESTRICTIONS: The ADDI Program will assist the first-time homebuyer to purchase a pre-existing or newly-constructed single-family residence located within the Cook County HOME Consortium to be occupied exclusively as a single family dwelling (one unit). This includes single-family house, condominium, townhouse or manufactured housing.

After purchase, the house must serve as the first-time home buyer’s principal, year-round residence. A mortgage or deed restriction will be used to ensure that the first-time homebuyer retains the property as a principal residence.

APPLICANT ELIGIBILITY CRITERIA: An applicant must –

1. Be a First-Time Homebuyer, as defined by HUD as a household that has not owned a home during the three-year period immediately prior to purchasing a residence with ADDI assistance;
2. Be a Low-Income Family and meet the income requirements. The applicant must have an annual gross income not exceeding eighty percent (80%) of Cook County’s median income*.

Income Limits (effective March 2006)

Number of Household Members	Total Annual Household Income Limit	Number of Household Members	Total Annual Household Income Limit
1	\$ 41,700	5	\$ 64,350
2	\$ 47,700	6	\$ 69,150
3	\$ 53,650	7	\$ 73,900
4	\$ 59,600	8	\$ 78,550

* Income limits are modified from time to time by the U.S. Department of Housing and Urban Development. These modifications are automatically incorporated into the County ADDI Program.

3. All home buyers must successfully complete a County-approved Home Ownership/Pre-purchase Education Program with a HUD-certified agency. Education must be completed prior to closing a loan. Evidence of successful completion of home buyer education program must be provided to Cook County prior to closing a loan. Please contact an agency directly to register for a home ownership education program. A partial list of agencies can be obtained from the Planning and Development Department.

For additional requirements and information, please call the Department of Planning and Development at (312) 603-1000.

PARTICIPATING MUNICIPALITIES: The house to be purchased must be located in one of these eligible communities or in unincorporated Cook County:

<u>North</u>	Deerfield* Golf Morton Grove Northfield Wilmette	Glencoe Kenilworth Niles Park Ridge Winnetka	Glenview Lincolnwood Northbrook Rosemont
<u>Northwest</u>	Barrington Buffalo Grove* Hoffman Estates Rolling Meadows Streamwood	Barrington Hills* Elk Grove* Inverness Roselle Wheeling*	Bartlett* Hanover Park* Prospect Heights South Barrington
<u>West</u>	Bedford Park Berkeley Broadview Burr Ridge* Forest Park Harwood Heights Hodgkins LaGrange Maywood Norridge River Grove Schiller Park Summit Willow Springs	Bellwood Berwyn Brookfield Cicero Forest View Hillside Indian Head Park LaGrange Park McCook North Riverside Riverside Stickney Westchester	Bensenville* Bridgeview Burbank Elmwood Park Franklin Park Hinsdale* Justice Lyons Melrose Park Northlake River Forest Stone Park Western Springs
<u>Southwest</u>	Alsip Evergreen Park Lemont* Orland Park Palos Park	Chicago Ridge Hickory Hills Merrionette Park Palos Heights Tinley Park*	Countryside Hometown Orland Hills Palos Hills Worth
<u>South</u>	Blue Island Calumet Park Crestwood East Hazel Crest Glenwood Homewood Markham Oak Forest Phoenix Riverdale South Chicago Hts. Thornton	Burnham Chicago Heights Dixmoor Flossmoor Harvey Lansing Matteson* Olympia Fields Posen Robbins South Holland	Calumet City Country Club Hills Dolton Ford Heights Hazel Crest Lynwood Midlothian Park Forest* Richton Park Sauk Village Steger*

* Cook County portion only.