



SAND CREEK CAPITAL

308 West Erie Street
Suite 700
Chicago, Illinois 60654
312-664-5656

March 6, 2018

Mr. Erik Hallgren
Financial Services Supervisor
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

Re: 2018 Illinois Assist Program/Request for Volume Cap

Dear Mr. Hallgren:

We are beginning to assemble our group of Illinois communities for the 2018 Illinois Assist program and believe that the City would again be interested in participating. Naperville has been a participating community in the program since 2001. This year we are soliciting home rule communities for volume cap to be used in connection with the program to help local home buyers purchase homes more affordably.

The means by which communities achieve this goal is through their participation in the **Illinois Assist Homebuyer Down Payment Assistance Program**. Structured by Sand Creek Capital, **Illinois Assist** is a pooled local government program sponsored by communities throughout the state. In Illinois the program has been adopted by more than 80 municipalities, including the cities of Aurora, Naperville, Joliet, and Counties of Cook, Kendall and Lake, among others.

Studies have shown that 40% of persons applying for a first-time mortgage who would otherwise qualify for a mortgage loan fail to do so because they lack the resources to fund the down payment and/or closing costs. **Illinois Assist** provides a solution to this chronic problem. The program offers homebuyers with a 30-year, fixed-rate mortgage and a 3.00 to 7.00% cash grant at closing. The grant can be used to fund down payment and closing costs for a conventional or FHA/VA/USDA loan. Additionally, in certain areas home buyers are eligible for a 35% Mortgage Credit Certificate "MCC" to further reduce their effective cost of borrowing.

The program's goals of making home ownership more accessible and affordable are achieved in a number in a number of ways that benefit a community:

First, the City has no financial exposure to the program. There are no also administrative responsibilities for a participating community. All of the application taking and program administration is conducted by area lenders and Sand Creek Capital. Periodically, the City will receive detailed updates as to the program's progress.

Page 2
Mr. Erik Hallgren
March 6, 2018

Second, we have established strategic alliances with a number of area lenders who are well-versed in lending in the program and eager to do so. Wells Fargo, US Bank, Guaranteed Rate, Wintrust Mortgage, Inland Home Mortgage, iMortgage, Loan Depot, Caliber Home Loans and Mortgage Services, among others, are all interested in having the program brought to Schaumburg. In addition, the program's master servicer (US Bank) will train any other area lenders interested in participating. And Sand Creek Capital will provide marketing material for the City to distribute should you elect to promote **Illinois Assist** through your department

Third, and most importantly, **Illinois Assist** is a program that gets the money to the people who need it: potential home owners without the capital necessary to purchase a home. To date, **Illinois Assist** has helped literally thousands of families purchase homes well in excess of \$1 billion.

All the City needs to do in order to participate is pass a Transfer Ordinance committing some or all of its 2018 volume cap to the program, a copy of which is attached. An OMB form letter, the "Report of Allocation Granted Letter", is also attached. Once the ordinance is acted on, you will need to put a copy of it in the mail under cover of the letter to the Governor's Office in Chicago. To the best of my knowledge, the City allowed their 2017 cap to go unused. This would allow you to deploy an asset that you may not otherwise use for the benefit of area residents.

Please review the enclosed materials and call me with your comments. I will contact you later next week to discuss your level of interest in participating.

Best Regards,

A handwritten signature in black ink, appearing to read "D. Rasch", followed by a checkmark.

David S. Rasch
President

Attachments