

# FACT SHEET: YOU'VE EARNED IT INITIATIVE

<b>PURPOSE</b>	To help reduce the overall housing expense for borrowers with a minimum of \$25,000 of existing student loan debt (which can be in repayment or deferred status) who are purchasing a home in a Sustainable Community in Maryland.
<b>DATE</b>	4 May, 2015
<b>DOWN PAYMENT AND CLOSING COST ASSISTANCE</b>	\$10,000 DPA loan in the form of a zero percent deferred loan. No DPA for Conventional loan on a DHCD-owned foreclosed property (FNMA requirement for REO properties).
<b>PARTNER MATCH PROGRAM</b>	Available with this program, if eligible for DPA
<b>MARYLAND HOME MORTGAGE PROGRAM</b>	Not available with this program
<b>ELIGIBLE PROPERTIES</b>	<p><b>A single-family, one-unit residence located in a Sustainable Community in Maryland:</b></p> <ul style="list-style-type: none"> <li>- including townhouses; detached or semi-detached homes; FHA or Fannie Mae - approved condominium units; modular homes.</li> <li>- If loan is a 95.01% to 97% LTV conventional loan, condominiums are not eligible</li> <li>- Second homes, rental properties or manufactured houses are not eligible.</li> </ul>
<b>INTEREST RATE</b>	<ul style="list-style-type: none"> <li>- Fixed interest rate of 2.75%* for conventional and government insured loans.</li> <li>- This special interest rate cannot be used in conjunction with the Maryland Homefront Program, refinances or any other MMP loan product.</li> </ul>
<b>ELIGIBLE BORROWERS</b>	<ul style="list-style-type: none"> <li>- The program is open to eligible MMP homebuyers purchasing an "eligible property" located in a Sustainable Community in the state of Maryland. To ascertain whether a specific property is located in a Sustainable Community, please use DHCD interactive map at <a href="http://www.bit.ly/dhcd_smap">www.bit.ly/dhcd_smap</a>. <b>Note for the lenders reserving loans under this program: it is the lenders' sole responsibility to ensure that the properties they reserve loans for under this program are located in sustainable communities as identified and confirmed by the map available at the above web link. If a property reserved under this program is not within a sustainable community area, the loan will be subject to the regular mmp terms and conditions (regular mmp interest rate and \$5,000 dpa).</b></li> <li>- Specific requirements for borrowers with existing student loan debt: <ul style="list-style-type: none"> <li>✓ Minimum remaining balance of student loan debt: \$25,000. The student loan has to be in the name of the borrower for the borrower's education.</li> <li>✓ The student loan may be in repayment or deferred status.</li> <li>✓ A monthly statement or verification from the student loan lender/servicer verifying the amount of the indebtedness must be in the loan file.</li> </ul> </li> <li>- All customary loan underwriting standards and requirements related to student debt apply and they will be used to qualify the homebuyers.</li> <li>- Eligible borrowers must qualify for an MMP loan, i.e. credit score, total debt-to-income (DTI) ratio, loan-to-value (LTV) ratio, income and purchase price limitations, asset limitations etc.</li> <li>- All borrowers must complete approved homebuyer education and have their loan originated by a lender on the approved lender list at <a href="http://mmp.maryland.gov/Pages/Find-A-Lender.aspx">http://mmp.maryland.gov/Pages/Find-A-Lender.aspx</a>.</li> <li>- For more information on general MMP requirements, go online: <a href="http://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx">mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx</a> or browse the MMP website, <a href="http://mmp.maryland.gov">mmp.maryland.gov</a></li> </ul>
<b>FIRST TIME HOMEBUYER REQUIREMENT</b>	<p>While MMP loans generally are limited to first-time homebuyers, the requirement is waived if:</p> <ul style="list-style-type: none"> <li>- Borrower is purchasing in a targeted area (see <a href="http://mmp.maryland.gov/Pages/Targeted-Areas.aspx">http://mmp.maryland.gov/Pages/Targeted-Areas.aspx</a> for more information on targeted areas) and sold their current home prior to closing on the new property;</li> <li>- It has been more than three years since borrower has owned a principal residence; or</li> <li>- Borrower is an honorably discharged veteran who has not previously used the first-time homebuyer exemption. This is in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended. A DD-214 form must be submitted to document veteran status, and an Attachment V - Veteran First Time Homebuyer Exemption form (located at <a href="http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx">http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx</a> under First Mortgage Pre-Closing/Documents That Are Sometimes Required) must be completed.</li> </ul>



Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor

[mmp.maryland.gov/EarnedIt](http://mmp.maryland.gov/EarnedIt)



Kenneth C. Holt, Secretary

The terms and conditions are subject to change until a borrower qualifies for the loan and locks in the interest rate. A borrower should contact CDA for further information concerning a loan and applying for a loan (see [mmp.maryland.gov](http://mmp.maryland.gov)). In connection with the Maryland Mortgage Program (MMP), the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower about the actual benefit an MMP loan might provide to a specific homeowner. Each homeowner's situation is different, and homeowners should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.

\*APR (Conventional) - 3.159%; APR (FHA) - 3.738%; APR (VA) - 2.914%. Please contact a participating lender for further details on the APR.