



MARYLAND MORTGAGE
Making Homeownership Affordable

FACT SHEET: MONTGOMERY HOMEOWNERSHIP PROGRAM

PURPOSE	To help Maryland homebuyers purchase a home in Montgomery County by offering a Maryland Mortgage Program (MMP) first loan with a generous Down Payment Assistance (DPA) second loan.
DATE	Lenders may reserve Montgomery Homeownership Program loans from April 4, 2017 through December 31, 2017 or until the funds are expended, whichever occurs first.
DOWNPAYMENT AND CLOSING COST ASSISTANCE	The Montgomery Homeownership Program second lien will be a DPA loan in the form of a zero percent deferred loan. The maximum DPA loan will be 40% of the total household income with a maximum total of \$40,000 per home; these funds can be used for down payment or closing costs. The DPA loan funds are from Montgomery County and are distributed by the Community Development Administration (CDA). The DPA lien will be in the name of the Maryland Department of Housing and Community Development ("the Department"). The DPA loan will be funded by the lender at closing. CDA reimburses the lender after post-closing approval by CDA (please refer to Directive 2014-34). (Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.
MAXIMUM LOAN TO VALUE/COMBINED LOAN TO VALUE	LTV/CLTV requirements are the same as for the regular MMP products.
PARTNER MATCH PROGRAM	The DPA loan under this initiative cannot be combined with matching funds from the DPA Partner Match programs . However, the DPA can be combined with any available external assistance from employers, builders, developers, local jurisdictions, etc. that meets established agency guidelines.
MARYLAND HOMECREDIT PROGRAM	Available with this product. The Maryland HomeCredit Program is subject to federal regulations and availability of funds, and may be discontinued at any time at the Department's sole discretion.
INTEREST RATE	Rates for the first lien are published daily by the Department. The applicable rates are the regular Maryland Mortgage Program rates.
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program. For more information on MMP requirements, go online to http://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx or browse the website at www.mmp.maryland.gov. In addition to the MMP eligibility criteria, Montgomery County requires that the amount of the assistance (DPA) received by each applicant does not exceed 40% of the household income. All Maryland Mortgage Program purchase products require homebuyers to take a Homebuyer Education class. An education class may be any class approved by HUD, Fannie Mae or Freddie Mac, including an online class. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx).
FIRST TIME HOMEBUYER REQUIREMENT:	<p>While Maryland Mortgage program loans generally are limited to first-time homebuyers, the requirement is waived if:</p> <ul style="list-style-type: none"> Borrower is purchasing in a targeted area (see http://mmp.maryland.gov/Pages/Targeted-Areas.aspx for more information on targeted areas); It has been more than three years since the borrower has owned a principal residence; or 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 http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx under First Mortgage Pre-Closing/Documents That Are Sometimes Required) must be completed. <p>Regardless of the waiving of the first-time homebuyer requirement, a Maryland Mortgage borrower cannot own any other real property at time of closing.</p>
OTHER	<p>No manual underwriting allowed.</p> <p>This product follows all underwriting overlays of US Bank, Fannie Mae, Freddie Mac, FHA/VA/RHS and PMIs.</p> <p>All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document.</p> <p>Montgomery Homeownership Program cannot be used in conjunction with any MMP products (other than the Maryland HomeCredit).</p>

Disclaimer:

The terms and conditions are subject to change until the lender locks the loan in Lender Online. A potential borrower should contact an approved lender for further loan information (see mmp.maryland.gov for a list of approved lenders). In connection with the Maryland Mortgage Program, the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower, about the actual benefit a Maryland Mortgage loan might provide in specific situations. Each borrower's situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.



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