



MARYLAND MORTGAGE
Making Homeownership Affordable

FACT SHEET: MARYLAND MORTGAGE GRANT ASSIST

PURPOSE	To assist homebuyers with closing costs associated with purchasing a home in Maryland using the Maryland Mortgage Program (MMP). The Maryland Department of Housing and Community Development ("the Department") offers a first mortgage loan that is accompanied by a grant to pay down payment (for conventional only) or closing costs.
DATE	Program started 1/17/2017; revised 3/24/17 to add down payment option for conventional loans.
CLOSING COST ASSISTANCE	Grant Assist includes a grant of 4% of the MMP loan amount (first lien). For government loans (FHA, VA, RHS), the grant funds can be used for closing costs; if the 4% exceeds the total closing costs needed for the transaction, the excess funds will be applied by the lender to a principal curtailment. For conventional loans, the grant funds can be used for closing costs and/or down payment assistance. The grant available under this program is strictly 4% and no higher or lower percentages are allowed. Under the Grant Assist Program the lenders will advance the grant funds at closing and the Community Development Administration (CDA) will reimburse the lender after post-closing approval by CDA and submission of the Attachment W. Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.
DOWN PAYMENT REQUIRED FROM THE BORROWER:	The borrower will bring the minimum down payment required by FHA/RHS/VA for a government insured loan as stated in their guidelines. For conventional loans, borrower can use the grant funds toward down payment if they prefer. GRANT ASSIST FUNDS CANNOT BE COMBINED WITH OTHER DOWN PAYMENT ASSISTANCE PRODUCTS OFFERED BY CDA.
PARTNER MATCH PROGRAM	Not available with this program. Assistance from employers, builders, non-profits, etc. may be utilized by the borrower in combination with this initiative, but will not be matched by the Department's funds.
MARYLAND HOMECREDIT PROGRAM	Available with this program. The Maryland HomeCredit Program is subject to federal regulations and availability of funds, and may be discontinued at any time in the Department's sole discretion.
INTEREST RATE	Rates are published daily by the Department for the first lien. The grant does not carry any interest.
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 mmp.maryland.gov. 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, although some jurisdictions have special requirements. (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	Grant Assist follows all underwriting overlays of US Bank, Fannie Mae, Freddie Mac, FHA/VA/RHS and PMIs. All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document. Grant Assist cannot be used in conjunction with any Maryland Mortgage Program products other than the Maryland HomeCredit.

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.

For more information, please visit:

**MMP.Maryland.gov/
GrantAssist**

Single Family Housing - Community Development Administration
Maryland Department of Housing and Community Development
7800 Harkins Road • Lanham, MD • 20706



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



Kenneth C. Holt,
Secretary
Tony Reed,
Deputy Secretary