

FACT SHEET: SPECIAL ASSISTANCE GRANT -LPA underwritten conventional loans only-



MARYLAND MORTGAGE
Making Homeownership Affordable

PURPOSE	To assist income selected homebuyers with down payment and closing costs associated with purchasing a home in Maryland using the Maryland Mortgage Program (MMP) for Freddie Mac HFA Advantage conventional mortgages only . The Maryland Department of Housing and Community Development ("the Department") offers an outright grant of \$2,500 for borrowers with income not exceeding 50% of the Area Median Income (AMI) and \$1,500 for borrowers above 50% and not exceeding 80% of the Area Median Income (AMI) as detailed in the attached list).
DATE	The Special Assistance Grant can be added to loans reserved on or after May 18, 2018 and will be available until CDA issues a directive that the initiative is closed.
CLOSING COST & DOWN PAYMENT ASSISTANCE	<p>This grant may be added to regular conventional Loan Assist, conventional Grant Assist, conventional Homefront, conventional You've Earned It, and conventional Rate Assist loans, and to 1st Time Advantage loans—see Directive 2018-13 for program codes. This grant is not available with Maryland SmartBuy and cannot be used with refinance products.</p> <p>~The grant funds can be used for down payment and closing costs for an MMP Freddie Mac conventional mortgage loan at closing.</p> <p>~ The grant funds must be added to the Closing Disclosure (CD) in section "L" AS TWO SEPARATE LINE ITEMS (please contact U.S. Bank, the Master Servicer, for further instructions if needed). Identify the grant funds as "MD CDA's Affordable Subsidy \$2,500 Grant" or "MD CDA's Affordable Subsidy \$1,500 Grant" as applicable. The Freddie Mac Special feature code "H56" should be added to the 1008 form.</p> <p>~The grant is strictly \$1,500 for borrower income up to 80% AMI and \$2,500 for borrower income up to 50% AMI and no higher or lower amounts are allowed. Under the Special Assistance Grant, the lender will advance the \$1,500 or \$2,500 grant funds at closing, and the Master Servicer (U.S. Bank) will reimburse the lender directly after the first mortgage loan is purchased.</p> <p>~Regular Down Payment Assistance can be layered with this product, and must be listed separately on the CD. (Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.)</p>
PARTNER MATCH PROGRAM	May be layered with this product, and must be listed separately on the CD.
MARYLAND HOME CREDIT PROGRAM	<p>May be used in conjunction with this product. As an additional incentive, CDA will waive the \$450 CDA MCC fee for a mortgage credit certificate (MCC) obtained with this product (MCC must be reserved). Lenders may continue to charge their MCC fee up to a maximum of \$350.</p> <p>The Maryland HomeCredit Program is subject to federal regulations and availability of funds, and may be discontinued at any time in the Maryland Department of Housing and Community Development's sole discretion.</p>
INTEREST RATE	Rates are published daily by the Department for the first lien. The grants do not carry any interest.
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> o Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program, U.S. Bank overlays and Freddie Mac guidelines. (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.) o All Maryland Mortgage Program purchase products require homebuyers to take a Homebuyer Education class. An education class may be any class approved by HUD, FNMA, or Freddie Mac, including an online class. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx). o This product has specific income limits listed on page 3.
FIRST TIME HOME BUYER 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"> o Borrower is purchasing in a targeted area (see http://mmp.maryland.gov/Pages/Targeted-Areas.aspx for more information on targeted areas); o It has been more than three years since the borrower has owned a principal residence; o 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; OR o Borrower is using this grant with a conventional Preferred Rate or Grant Assist products without a Maryland HomeCredit (MCC). <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>This product follows all underwriting overlays of US Bank, Freddie Mac, and PMIs. Loans must be underwritten and approved through LPA. All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document.</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.



Larry Hogan,
Governor

Boyd K. Rutherford,
Lt. Governor



Kenneth C. Holt,
Secretary

Tony Reed,
Deputy Secretary

For more information, please visit:

MMP.Maryland.gov

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

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SPECIAL ASSISTANCE GRANT – MAXIMUM INCOME/AFFORDABILITY LIMITS FOR BORROWERS

COUNTY NAME	INCOME LIMIT FOR 50% AMI	INCOME LIMIT FOR 80% AMI
Allegany	\$27,750	\$44,400
Anne Arundel	\$47,450	\$75,920
Baltimore	\$47,450	\$75,920
Baltimore City	\$47,450	\$75,920
Calvert	\$58,600	\$93,760
Caroline	\$35,650	\$57,040
Carroll	\$47,450	\$75,920
Cecil	\$43,700	\$69,920
Charles	\$58,600	\$93,760
Dorchester	\$35,650	\$57,040
Frederick	\$58,600	\$93,760
Garrett	\$35,650	\$57,040
Harford	\$47,450	\$75,920
Howard	\$47,450	\$75,920
Kent	\$37,300	\$59,680
Montgomery	\$58,600	\$93,760
Prince George's	\$58,600	\$93,760
Queen Anne's	\$47,450	\$75,920
Somerset	\$35,900	\$57,440
St. Mary's	\$51,700	\$82,720
Talbot	\$38,700	\$61,920
Washington	\$33,500	\$53,600
Wicomico	\$35,900	\$57,440
Worcester	\$35,900	\$57,440



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