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RAYMOND A. SKINNER
Secretary

CLARENCE J. SNUGGS
Deputy Secretary

June 30, 2014

Directive 2014-28

TO: **ALL PARTICIPATING LENDERS**

SUBJECT: **MARYLAND HOMEFRONT: THE VETERANS AND MILITARY FAMILY MORTGAGE PROGRAM**

The Department of Housing and Community Development is proud to open our newest version of Maryland Homefront: The Veterans and Military Family Mortgage Program (Maryland Homefront). This initiative is in appreciation of the contributions made by former and current members of the United States armed services and their families. The program opens for reservations on Tuesday, July 1, 2014. Both veterans with an honorable discharge and active duty military will be eligible for this program.

The Maryland Homefront interest rate will be **¼ % (25 bps) below** each of the Maryland Mortgage Program (MMP) interest rates for government, conventional 95% and conventional 97% insured products. The special interest rate will be published daily in our Rate Sheet Notification as well as on the MMP website. You can use the Conventional, FHA, VA or RHS programs. The interest rate reduction cannot be used in conjunction with any Regional Specials offered in select counties. The borrowers can benefit from either a ¼% interest rate reduction as a Maryland Homefront loan OR a ¼% interest rate reduction for a Regional Special. Maryland Homefront also is not available for refinance loans. Please note: Veterans have a one-time exception to the first-time homebuyer requirement which enables them to purchase a home anywhere in the State of Maryland.

Additionally, the borrower can now take advantage of the **Maryland HomeCredit Program (MHCP)** in conjunction with Maryland Homefront. As an additional incentive, CDA will waive the fee for the mortgage credit certificate (MCC) associated with a Maryland Homefront loan. While lenders may continue to charge their MCC fee (refer to Directive 2014-19 for maximum fees), we ask that you join us and either reduce or waive the MHCP fee in recognition of the service of our fellow Americans. For detailed terms and conditions of the Maryland HomeCredit Program please visit the website at: <http://mmp.maryland.gov/Pages/MDHomeCredit.aspx>.

Veterans and active duty military families purchasing under Maryland Homefront may utilize the \$5,000.00 Down Payment Assistance Program (DPA) plus any applicable Partner Match Program funds.

For detailed information, the Maryland Homefront Fact Sheet is enclosed with this Directive. Additionally, please visit the website at: <http://mmp.maryland.gov/Pages/default.aspx>.



The Lender Online program codes assigned to Maryland Homefront are:

Bond Series: 909 (**All Lenders**)

Program Code: 607 - HF MBS GOV'T OPT 30YR+MCC 6/2014)

608 - HF MBS 95%OR<LTV CONV OPT 30 YR +MCC (6/2014)

Bond Series: 921 (**For Lenders who are required to have conventional files underwritten by US Bank**)

Program Code: 609 - HF MBS >95% LTV CONV OPT 30 YR +MCC (6/2014)

Bond Series: 922 (**For Lenders who are not required to have conventional files underwritten by US Bank**)

Program Code: 611 - HF MBS >95% LTV CONV OPT 30 YR +MCC (6/2014)

The Lender is required to have the borrower execute **Attachment V** (Veterans first-time homebuyer exemption certificate) when the borrower or co-borrower is using their DD-214 for the first-time homebuyer exemption. The following documentation must be included in the Pre-closing Compliance submission:

- a copy of a **DD-214** is required if the borrower or co-borrower is a veteran; or
- a copy of a Leave & Earnings statement and Confirmation of Active Duty Status using <https://www.dmdc.osd.mil/appj/scra/scraHome.do> if borrower or co-Borrower is active duty military

As always, we appreciate your continued participation in our programs. If you have any questions concerning this Directive or suggestions for improvements, please contact one of our Single Family Housing liaisons: Vicki Jones at jonesv@mdhousing.org and Ed Anthony at anthony@mdhousing.org or one of our Single Family Housing underwriters: Jack Rouse at rouse@mdhousing.org, Pat Smith at smithp@mdhousing.org, Catherine Kraemer-Dale at kraemer-dale@mdhousing.org or Bill Milko at milko@mdhousing.org.

Sincerely,

Jacquelyn Mitchell

Jacquelyn Mitchell, Operations Manager
Single Family Housing

Enclosure