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*Secretary*

Tony Reed  
*Deputy Secretary*

**April 4, 2017**

**Directive 2017-07**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: MONTGOMERY HOMEOWNERSHIP PROGRAM**

We are pleased to announce that effective today the Community Development Administration will offer the Montgomery Homeownership Program to assist eligible homebuyers purchase a home in Montgomery County by combining a Maryland Mortgage Program (MMP) first loan with a generous Down Payment Assistance (DPA) second loan.

**Highlights of the program are:**

- Montgomery Homeownership Program second lien will be a zero percent deferred DPA loan
- Maximum DPA loan will be 40% of total household income, up to a maximum of \$40,000.00
- DPA funds may be used for down payment or closing costs
- Partner Match Programs – No matching funds provided; however, the DPA may be combined with available external assistance that meets agency guidelines
- Maryland HomeCredit Program – Available with this product (fee applies)
- Borrowers must meet all MMP and agency requirements

**Bond Series and New Program codes for the Montgomery Homeownership Program:**

- **1st Mortgage:**  
**Bond Series 912**  
**Program Code**                      **480 - MNTGMRY HMOWNRSHP GOVT**  
   **481 - MNTGMRY HMOWNRSHP CONV**
  
- **Bond Series 701**  
**Program Code**                      **646 - MCC+GOVT MNTGMRY HMOWNRSHP**  
   **647 - MCC+CONV MNTGMRY HMOWNRSHP**
  
- **DPA:**  
**Bond Series 977**  
**Program Code**                      **980 - 40% DPA MNTGMRY HMOWNRSHP**  
**Sub-Program Code**                **937 - MNTGMRY HMOWNRSHP DPA**



For complete program details, please refer to the information and fact sheet located on the website at <http://mmp.maryland.gov/montgomery>.

As always, we appreciate your continued participation in our programs. If you have any questions concerning this directive or suggestions for improvements, please email [singlefamilyhousing.dhcd@maryland.gov](mailto:singlefamilyhousing.dhcd@maryland.gov).

Sincerely,

*Karl Metzgar*

Karl Metzgar  
Assistant Director / Operations Manager  
Single Family Housing

