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Governor

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Lt. Governor

Kenneth C. Holt
Secretary

Tony Reed
Deputy Secretary

October 25, 2017

Directive 2017-18

TO: ALL PARTICIPATING LENDERS

SUBJECT: MONTGOMERY HOMEOWNERSHIP PROGRAM II

As a result of the very successful Phase I of the Montgomery Homeownership Program, the Community Development Administration, in partnership with Montgomery County, is pleased to announce that effective immediately additional funds have been allocated and the program is open to accept reservations. Lenders may reserve Montgomery Homeownership Loans until the funds are fully committed; status will be posted weekly on the rates sheet and a flashing bulletin will be posted on Lender Online as the end of the program nears. The Montgomery Homeownership Program II is designed to assist eligible homebuyers who 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
- The DPA loan available for an eligible borrower can be up to a maximum of \$25,000 (however not to exceed 40% of the total household income of the respective borrower)
- 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.

<http://mmp.maryland.gov/Montgomery/Pages/MontgomeryHomeownershipProgramII.aspx>

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.

Sincerely,

Karl Metzgar

Karl Metzgar
Assistant Director / Operations Manager
Single Family Housing

