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**January 22, 2018**

**Directive 2018-02**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: 2018 UPDATES TO THE MARYLAND MORTGAGE 4% GRANT ASSIST PROGRAM**

The Maryland Mortgage Program (MMP) is pleased to announce that the Maryland Mortgage 4% Grant Assist Program has been enhanced for 2018. Initially the 4% Grant Assist funds were limited to closing costs only; now 4% Grant Assist funds may be applied to **down payment and/or closing costs for both conventional and government loans**. This announcement supersedes Directive 2017-02 and Directive 2017-06.

As a reminder the following program guidelines are still in effect:

- The grant must equal 4% and no higher or lower percentages are allowed.
- If the grant funds exceed the total closing costs and down payment, the excess will be applied as a principal curtailment.
- The grant is not available for use with other MMP purchase, down payment assistance or refinance products unless specifically referenced in the product fact sheet.
- The Maryland HomeCredit Program may be used with this product.
- Employers, builders, developers, non-profits or other contributors may offer additional assistance; however the Partner Match Program is not available and the assistance will not be matched by the Department.
- All overlays of MMP, US BANK and/or Fannie Mae apply.

The Fact Sheet is available at the following link:

**[http://mmp.maryland.gov/Lenders/Documents/FactSheets/MMP\\_FactSheet\\_4percentGrantAssist.pdf](http://mmp.maryland.gov/Lenders/Documents/FactSheets/MMP_FactSheet_4percentGrantAssist.pdf)**



**There is no change for the bond or program codes:**

**Bond Series 961**

- **369 - GRANT ASSIST GOVT**
- **371 - GRANT ASSIST CONV**

**Bond Series 706**

- **644 - MCC + GRANT ASSIST GOVT**
- **645 - MCC + GRANT ASSIST CONV**

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

