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February 4, 2019

Directive 2019-01

TO: ALL PARTICIPATING LENDERS

SUBJECT: ANNOUNCING MARYLAND MORTGAGE HOMEABILITY

The Department of Housing and Community Development (the Department) is pleased to announce the new HomeAbility product under the umbrella of the Maryland Mortgage Program (MMP). This new product assists disabled homebuyers in Maryland with down payment assistance. This is a Conventional Loan product and provides an 80% LTV first lien and up to 25% in a second lien to assist with down payment and closing costs. Eligible borrowers will have income up to 80% of the Area Medium Income (AMI), as listed below by jurisdiction.

This replaces the Department's previous Homeownership for Individuals with Disability Program (HIDP). We are confident that this new product will assist more borrowers with disabilities. HomeAbility may be offered **ONLY** by the program lenders who have achieved gold or silver tier status (by production of 15 or more loans per quarter). See the lender list found here for that status: https://mmp.maryland.gov/Lenders/Documents/LendersList_MMPKit.pdf

The Fact Sheet is located at the following link:

<https://mmp.maryland.gov/Lenders/Documents/FactSheets/HomeAbility.pdf>

Highlights of HomeAbility include:

- Disability Qualifications – One of the borrowers is disabled **OR** one of the borrowers is a guardian for, resides with, and is the principal caregiver for an immediate family member who is disabled (regardless of age)
- Before reservation, the lender obtains CDA approval of the disability documentation by emailing it to **SingleFamilyHousing.DHCD@maryland.gov** (see Fact Sheet for specific documentation requirements)
- First Mortgage - LTV of 80%; rate will align with the MMP Premier program rate
- Second Mortgage – 0% deferred with no payment until the first mortgage is sold, refinanced, transferred, or paid in full



- No Mortgage Insurance is required
- AMI Income Limits are County specific – See below for the 80% AMI Limits by County – Regular MMP Income Limits are not applicable
- Allows Automated or Manual Underwriting – See Fact Sheet for specific LTV, Credit Score, DTI limits and reserve requirements
- Partner Match is not available
- It can be layered with the Special Assistance Grant product
- Unless otherwise stated, all requirements and guidelines of the Maryland Mortgage Program apply. Please refer to overlays and underwriting guidelines for US BANK and GSEs (FNMA & FHLMC) for additional requirements.

HomeAbility – Maximum Income/Affordability Limits for Borrowers

(Valid as of the date of this directive, but subject to change when Fannie Mae and Freddie Mac update their income limits, usually once a year. Updates are announced by directive.)

County Name	Income limit for 80% AMI
Allegany	\$44,400
Anne Arundel	\$75,920
Baltimore	\$75,920
Baltimore City	\$75,920
Calvert	\$93,760
Caroline	\$57,040
Carroll	\$75,920
Cecil	\$69,920
Charles	\$93,760
Dorchester	\$57,040
Frederick	\$93,760
Garrett	\$57,040
Harford	\$75,920
Howard	\$75,920
Kent	\$59,680
Montgomery	\$93,760
Prince	\$93,760
Queen Anne's	\$75,920
Somerset	\$57,440
St. Mary's	\$82,720
Talbot	\$61,920
Washington	\$53,600
Wicomico	\$57,440
Worcester	\$57,440



The Program Codes for HomeAbility are:

1st Mtg Freddie:

Bond Series: 891 - HOMEABILITY FHLMC

Program Codes: 781 - HMABILITY FHLMC CONV + 1500 SAG

782 - HMABILITY FHLMC CONV + 2500 SAG

1st Mtg Fannie:

Bond Series: 892 - HOMEABILITY FNMA

Program Codes: 298 - HOMEABILITY FNMA CONV

2nd Mtg/DPA:

Bond Series: 988 - HOMEABILITY 2ND/DPA

Program Code: 979 - HOMEABILITY 2ND/DPA 25%

Sub-Program Code: 942 - HOMEABILITY DPA LOAN

You can find information for HomeAbility on our website here:
<https://mmp.maryland.gov/Pages/HomeAbility>

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

