Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

LARRY HOGAN
Governor
BOYD K. RUTHERFORD
Lt. Governor
KENNETH C. HOLT
Secretary

July 1, 2020

Directive 2020-12

TO: **ALL PARTICIPATING LENDERS**

SUBJECT: **ANNOUNCING THE REOPENING OF HOMEABILITY LOANS**

The Department of Housing and Community Development (the Department) announces the reopening of the Maryland Mortgage Program (MMP) HomeAbility loans. With the funding replenished, this program will continue to assist disabled homebuyers in Maryland with down payment assistance. This is a conventional loan product and provides an 80% LTV first lien and up to a 25% second lien (capped at $45,000) to assist with down payment and closing costs. For eligibility, borrower(s) incomes may not exceed 80% of the Area Medium Income (AMI), as listed by jurisdiction on page 3 of this Directive.

NOTE: 2019 80% AMI Income Limits will remain in effect until July 12, 2020. The 2020 80% AMI Income Limits become effective on July 12, 2020.

HomeAbility may only be offered by the program lenders who have achieved gold or silver tier status (production of 15 or more loans per quarter). Current status (updated quarterly) can be confirmed here: 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).

- First Mortgage - LTV of 80%; rate will align with the Flex 5000 Conventional rate.

- Second Mortgage – 0% deferred with no payment until the property is sold, refinanced, transferred, or paid in full. Loan amount of up to 25% of the purchase price with a maximum of $45,000.

- No mortgage insurance is required.

- AMI limits are county specific – See the following pages 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 with the HomeAbility 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.

REMINDER – 2019 80% AMI INCOME LIMITS REMAIN IN EFFECT UNTIL JULY 12, 2020 WHEN THE 2020 80% AMI INCOME LIMITS WILL BE REQUIRED.

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

HomeAbility – Maximum Income/Affordability Limits for Borrowers

2019 80% AMI INCOME LIMITS
LIMITS *EXPIRE* ON 7/12/2020

COUNTY	80% AMI INCOME LIMIT
Allegany	$47,440
Anne Arundel	$80,800
Baltimore	$80,800
Baltimore City	$80,800
Calvert	$95,920
Caroline	$54,720
Carroll	$80,800
Cecil	$72,080
Charles	$95,920
Dorchester	$54,720
Frederick	$95,920
Garrett	$54,720
Harford	$80,800
Howard	$80,800
Kent	$60,560
Montgomery	$95,920
Prince George's	$95,920
Queen Anne's	$80,800
Somerset	$56,400
St Mary's	$81,360
Talbot	$64,080
Washington	$60,480
Wicomico	$56,400
Worcester	$56,400

2020 80% AMI INCOME LIMITS
LIMITS *EFFECTIVE* 7/12/2020

COUNTY	80% AMI INCOME LIMIT
Allegany	$49,520
Anne Arundel	$83,200
Baltimore	$83,200
Baltimore City	$83,200
Calvert	$99,920
Caroline	$58,240
Carroll	$83,200
Cecil	$77,280
Charles	$99,920
Dorchester	$58,240
Frederick	$99,920
Garrett	$58,240
Harford	$83,200
Howard	$83,200
Kent	$62,960
Montgomery	$99,920
Prince George's	$99,920
Queen Anne's	$83,200
Somerset	$59,520
St Mary's	$82,880
Talbot	$68,720
Washington	$61,360
Wicomico	$59,520
Worcester	$59,520

(Valid as of 7/12/2020, but subject to change when Fannie Mae and Freddie Mac update their income limits, usually once a year. Updates are announced by directive.)