

# FACT SHEET: MMP FLEX 5000



**MARYLAND MORTGAGE**  
*Making Homeownership Affordable*

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| <b>PURPOSE</b>                                   | To offer Maryland homebuyers a competitive Maryland Mortgage Program (MMP) interest rate product and a \$5,000 Down Payment and Closing Cost Assistance loan with a 0% interest rate, repayment deferred for the life of the first mortgage. This specific product may use the simplified pre-closing compliance loan package (#2) unless a Mortgage Credit Certificate is added.   |
| <b>START DATE</b>                                | February 25, 2018   |
| <b>DOWNPAYMENT &amp; CLOSING COST ASSISTANCE</b> | The Flex 5000 includes a 0% interest loan of \$5,000 as the second lien, deferred for the life of the first mortgage. The assistance loan is to be used for the down payment and/or closing costs of the mortgage loan and home purchase at closing. If the \$5,000 exceeds the total down payment and closing costs needed for the transaction, the excess funds will be applied by the lender to a principal curtailment.<br><b>The loan available for this product is strictly \$5,000 and no higher or lower amounts are allowed.</b><br>Funding: As with all MMP DPA, the lender will advance the assistance loan funds at closing and the Community Development Administration (CDA) will reimburse the lender after the loan is purchased by US Bank (see Directive 2018-16).<br><b>(Reminder: Except for SmartBuy 1.0, CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.)</b>  |
| <b>PARTNER MATCH PROGRAM</b>                     | Available, if applicable. Please refer to the Partner Match Program on the MMP website for details.<br><a href="https://mmp.maryland.gov/pages/downpayment.aspx">https://mmp.maryland.gov/pages/downpayment.aspx</a>  |
| <b>MARYLAND HOMECREDIT</b>                       | Available, but then the borrower must meet the first-time homebuyer guidelines and the full loan package (#1) is required. Fees apply.  |
| <b>INTEREST RATE</b>                             | The interest rates for conventional and government (FHA, VA, USDA) loans for this product will be provided on the Interest Rate notification published on the MMP website.  |
| <b>ELIGIBLE BORROWERS*</b>                       | The product is open to eligible MMP homebuyers. Eligible borrowers must qualify for an MMP loan, i.e., income limitations, credit score and purchase price limits, and other requirements not listed here.<br><br>In order to ensure consistency for all MMP loans, the MMP 1st Time Advantage 5000 requires homebuyers to take a Homebuyer Education class before they close the MMP loan. This education class must be approved and provided by HUD, Private Mortgage Insurers, Fannie Mae or Freddie Mac. Some external funding sources have more stringent requirements which must be met if their funds are used. <a href="http://mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx">mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx</a><br><br>Please refer to underwriting guidelines for US Bank, HUD, FNMA, FHLMC, VA, RHS, and the private mortgage insurers, as applicable, in addition to any MMP guidelines.   |
| <b>FIRST-TIME HOMEBUYER REQUIREMENT</b>          | The borrower can be a repeat homebuyer if using the Flex 3% Grant UNLESS getting an MCC. If getting an MCC, borrower must be a first-time homebuyer, defined by our program as: <ul style="list-style-type: none"> <li>o Borrower is purchasing in a targeted area (see <a href="http://mmp.maryland.gov/Pages/Targeted-Areas.aspx">http://mmp.maryland.gov/Pages/Targeted-Areas.aspx</a>)</li> <li>o It has been more than three years since the borrower has owned a principal residence; or</li> <li>o Borrower is an honorably discharged veteran who has not previously used the first-time homebuyer exemption. This is in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended. A DD-214 form must be submitted to document veteran status, and an Attachment V - Veteran First Time Homebuyer Exemption form (located at <a href="http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx">http://mmp.maryland.gov/Lenders/Pages/Loan-Documentation.aspx</a> under First Mortgage Pre-Closing/Documents That Are Sometimes Required) must be completed.</li> </ul> <p>Whether a repeat homebuyer or a first-time homebuyer, a Maryland Mortgage borrower <b>cannot own any other real property at time of closing.</b></p> |

*Disclaimer: The terms and conditions are subject to change until a borrower qualifies for the loan and locks in the interest rate. A borrower should contact their lender for further information concerning a loan and applying for a loan (see [www.mmp.maryland.gov](http://www.mmp.maryland.gov)). In connection with the Maryland Mortgage Program (MMP), the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower about the actual benefit an MMP loan might provide to a specific homeowner. Each homeowner's situation is different, and homeowners should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.*



For more information, please visit:

**mmp.Maryland.gov**

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