



**MARYLAND MORTGAGE**  
*Making Homeownership Affordable*

## FACT SHEET: FLEX DIRECT

<b>PURPOSE</b>	To offer Maryland first-time and repeat homebuyers another competitive interest rate product and still benefit from the opportunities provided by the Maryland Mortgage Program and Maryland HomeCredit (MCC). If the borrower for this product applies for an MCC, the first-time homebuyer requirements apply.
<b>START DATE</b>	The program started on 8/03/2015 under the name of Preferred Rate and it is now called Flex Direct as of 2 25 19.
<b>DOWNPAYMENT &amp; CLOSING COST ASSISTANCE</b>	Not available
<b>PARTNER MATCH PROGRAM</b>	Not available
<b>MARYLAND HOME CREDIT (MCC)</b>	<ul style="list-style-type: none"> <li>A Maryland HomeCredit may be purchased with a Flex Direct loan (fees apply), but then the first-time homebuyer requirements apply.</li> <li>A borrower can elect an MMP mortgage without an MCC (without penalty). In this instance, the borrower can be a repeat homebuyer.</li> </ul> For details about eligibility for the Maryland HomeCredit, visit: <a href="http://mmp.maryland.gov/MDHomeCredit">mmp.maryland.gov/MDHomeCredit</a>
<b>INTEREST RATE</b>	The interest rates for this program are applicable to conventional and government (FHA, VA, USDA) loans. The interest rates will be at a discount from the regular MMP interest rates and will be announced daily in the Interest Rate Notification published on the MMP website.
<b>ELIGIBLE BORROWERS*</b>	<p>The program is open to eligible MMP first time and repeat homebuyers. Eligible borrowers must qualify for an MMP loan, i.e., income limitations, credit score and purchase price limits.</p> <p>In order to ensure consistency for all MMP loans, the MMP Preferred Rate Program requires homebuyers to take a Homebuyer Education class before they close the MMP loan. This education class can be any class approved and provided by HUD, Private Mortgage Insurers, Fannie Mae or Freddie Mac, including an online class:  <a href="http://mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx">mmp.maryland.gov/Pages/Homebuyer-Education-Classes.aspx</a>            ONLINE ONLY: <a href="http://www.mgic.com/lender-services/homebuyer-education.html">www.mgic.com/lender-services/homebuyer-education.html</a></p> <p>If the borrower is receiving down payment/closing cost assistance from a local jurisdiction, non-profit, etc., the homebuyer education requirements of that entity must be met also.</p> <p>Please refer to underwriting guidelines for US Bank &amp; the GSEs in addition to any MMP Program guidelines.</p>
<b>FIRST-TIME HOMEBUYER REQUIREMENT</b>	<p>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:</p> <ul style="list-style-type: none"> <li>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> or</li> <li>It has been more than three years since the borrower has owned a principal residence; or</li> <li>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>

**Note: This program is not available for refinanced loans.**

*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 CDA 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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