PURPOSE	To help Maryland first time homebuyers who are employees of certain Montgomery County departments (see pages 2-4) purchase a home in Montgomery County by offering a Maryland Mortgage Program (MMP) first loan with a generous Down Payment Assistance (DPA) second loan.
DATE	Lenders may reserve **MEDPAL** loans from launch date 5/8/2023 until the funds are expended. Fact sheet revised 10/10/25.
DOWNPAYMENT AND CLOSING COST ASSISTANCE	The **Montgomery Employee Down Payment Assistance Loan (MEDPAL)** second lien will be a DPA loan in the form of a zero percent deferred loan. The DPA loan will be a flat $25,000 per home, no more and no less; these funds can be used for down payment or closing costs, with any remainder going toward principal curtailment (no cash back to the borrower). The DPA loan funds are from Montgomery County and are distributed by the Community Development Administration (CDA). The DPA lien will be in the name of the Maryland Department of Housing and Community Development ("the Department"). The DPA loan will be funded by the lender at closing. CDA reimburses the lender after post-closing approval by CDA (please refer to Directives 2018-16). **Borrower(s) must bring 1% of the sales price to closing (MMP DPA cannot be used for this).** **DPA loan must be repaid upon sale, transfer, or refinance.** **If not repaid earlier, the DPA loan is forgiven after 30 years.** **Reminder**: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.
MAXIMUM LTV/COMBINED LOAN TO VALUE	LTV/CLTV requirements are the same as for the regular MMP products.
MAXIMUM DEBT TO INCOME (DTI) RATIO	Follow the applicable (FHA, GSEs, RHS, VA, USB, MIs etc.) guidelines, as applicable for maximum DTI ratio.
PARTNER MATCH PROGRAM	The DPA loan under this initiative **cannot** be combined with matching funds from the **DPA Partner Match programs**. However, the DPA can be combined with any available external assistance from employers, builders, developers, local jurisdictions, etc. that meets established agency guidelines. It may not be combined with any other County assistance.
MCC AVAILABILITY	The Maryland HomeCredit Program (offering mortgage credit certificates) is no longer available.
INTEREST RATE	Rates for the first lien are published daily by MMP. The second loan (DPA) has a 0% rate, and payment is deferred for the life of the first lien, or upon sale, transfer, or refinance of the first, whichever happens first.
ELIGIBLE BORROWERS	o Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program. For more information on MMP requirements, go online to http://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx or browse the website at www.mmp.maryland.gov. o **In addition to the MMP eligibility criteria, Montgomery County requires that the borrower be employed full-time by an entity on the approved list (pages 2-4 of this fact sheet).** o All Maryland Mortgage Program purchase products require homebuyers to take a Homebuyer Education class. An education class may be any class approved by HUD, Fannie Mae or Freddie Mac, as applicable, including an online class. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx). o **Borrowers must provide 1% of the sales price to the transaction in their own funds (in addition to any insurer or servicer-required funds).**
FIRST TIME HOMEBUYER REQUIREMENT:	This product is available to first time homebuyers, which is defined as not owning a home ANYWHERE for the past three years) OR 1) one of the borrowers is a veteran using their one-time exemption (copy of DD-214 required); OR 2) borrower is purchasing a home in a Targeted Area (see https://mmp.maryland.gov/Pages/targeted-Areas.aspx); **Regardless of any waiving of the first-time homebuyer requirement, a Maryland Mortgage borrower cannot own any other real property at time of closing.**
OTHER	o **Borrower must be purchasing in Montgomery County.** o **NOTE: This product, which offers assistance funded by Montgomery County, must meet the income limits found on the Montgomery County Page** o No manual underwriting allowed. o All other rules relating to MMP loans apply except where specifically noted in this document; see the standard fact sheet at: https://mmp.maryland.gov/Lenders/Documents/FactSheets/MMP-FactSheet-standard-loan-30yrPurchase.pdf o In addition to MMP requirements, this product must meet all applicable overlays and requirements of US Bank, Fannie Mae, Freddie Mac, FHA/VA/RHS and private mortgage insurers. o **MEDPAL cannot be used in conjunction with any other MMP products or any other Montgomery County assistance products.**

For more information, please visit:
mmp.maryland.gov
Single Family Housing - Community Development Administration
Maryland Department of Housing and Community Development
7800 Harkins Road • Lanham, MD • 20706

MARYLAND MORTGAGE
Making Homeownership Affordable

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

MEDPAL ELIGIBLE EMPLOYEES: Montgomery County Department of Housing and Community Affairs (DHCA) will confirm employment qualification by reviewing the Applicant's County Government Verification of Employment statement or the County School System's Salary Information Notice.   Employees can utilize the Employee Self-Serve portal to obtain these documents and demonstrate their qualifications. This information will be provided to Carlos Daza, carlos.daza@montgomerycountymd.gov, (240) 777-3688. If eligible, a MEDPAL Employment Qualification Form will be issued to the employee for submission to their lender.

Eligible Employees are identified as: Any permanent, full-time employee as defined by their individual employer who also qualifies per the following requirements specific to their employer.

1. **Montgomery County, Maryland Government Employees**. Employees may qualify by meeting the qualifications of either a or b below:
   a. Any member of the Montgomery County Government Employee Organization (MCGEO) who is also an employee of Montgomery County Government. Verification of Employment statement will say either:

      - Bargaining Unit: SLT; or
      - Bargaining Unit: OPT

      NOTE: The following bargaining units are not qualified:

      - Bargaining Unit: Fire
      - Bargaining Unit: Police

   b. Any non-represented employee of Montgomery County from any of the following departments:

      - Bargaining Unit: Non-Union; and
      - Department (one of the following):

- Department of Agricultural Services
- Department of Alcohol Beverage Services
- Animal Services and Adoption Center
- Board of Appeals
- Board of Investment Trustees
- Community Engagement Cluster
- Community Partnerships
- Community Use of Public Facilities
- Consumer Protection
- Correction & Rehabilitation
- County Attorney's Office
- County Council's Office
- County Executive's Office
- Elections
- Emergency Management and Homeland Security
- Environmental Protection
- Ethics Commission
- Finance
- Fire and Rescue Services
- General Services
- Grants Management
- Health & Human Services
- Housing & Community Affairs
- Human Resources

- Human Rights
- Office of Inspector General
- Intergovernmental Relations
- Labor Relations
- Management and Budget Office
- Merit System Protection Board
- Montgomery County Employee Retirement Plans
- Office of Legislative Oversight
- Permitting Services
- Police
- Procurement
- Public Information
- Public Libraries
- Racial Equity and Social Justice
- Recreation
- Regional Centers: Bethesda-Chevy Chase, Eastern Montgomery, Mid-County, Silver Spring, UpCounty
- Technology and Enterprise Business Solutions
- Transportation
- Commission for Women
- Office of Zoning and Administrative Appeals

MARYLAND MORTGAGE
Making Homeownership Affordable

2. **Montgomery County Public School System** –To be eligible, an applicant must:
   a. Be a full time employee of MCPS which is defined as any permanent employee who is scheduled for 40 or more total hours bi-weekly and/or is designated as 0.5 FTE or higher on their Salary Information Notice ; and
   b. Be a member of the Service Employees International Union (SEIU), the Montgomery County Education Association (MCEA) or the Montgomery County Association of Administrators and Principals (MCAAP)/Montgomery County Business Operations Association (MCBOA).

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