



MARYLAND MORTGAGE
Making Homeownership Affordable

FACT SHEET: MONTGOMERY HOMEOWNERSHIP PROGRAM

PURPOSE	To help Maryland first time and repeat homebuyers 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 Montgomery Homeownership Program loans from October 10, 2018 until the funds are expended.
DOWNPAYMENT AND CLOSING COST ASSISTANCE	<p>The Montgomery Homeownership Program second lien will be a DPA loan in the form of a zero percent deferred loan. The maximum DPA loan will be 40% of the total household income with a maximum total of \$25,000 per home; these funds can be used for down payment or closing costs.</p> <p>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 and 12).</p> <p>It can be combined with the Special Assistance Grant (SAG), please refer to Directive 2018-21 and with Maryland Credit 640-FHA, please refer to Directive 2018-03.</p> <p>(Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.</p>
MAXIMUM LOAN TO VALUE/COMBINED LOAN TO VALUE	LTV/CLTV requirements are the same as for the regular MMP products.
MAXIMUM DEBT TO INCOME (DTI) RATIO	50% for automated underwriting for conventional loans. For government loans and manual underwriting follow the respective (FHA, GSEs, RHS, VA, USB, MIs etc.) guidelines, as applicable.
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.
MARYLAND HOMECREDIT PROGRAM	Available with this product. The Maryland HomeCredit Program is subject to federal regulations and availability of funds, and may be discontinued at any time at the Department's sole discretion.
INTEREST RATE	Rates for the first lien are published daily by the Department. The applicable rates are the regular Maryland Mortgage Program rates. The second loan (DPA) has a 0% rate, deferred.
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> 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 amount of the assistance (DPA) received by each applicant does not exceed 40% of the household income. 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, including an online class. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx).
FIRST TIME HOMEBUYER REQUIREMENT:	<p>This product is available to first time and repeat homebuyers in Maryland. If the borrower for this product applies for an MCC, the first-time homebuyer requirements apply.</p> <p>Regardless of the waiving of the first-time homebuyer requirement, a Maryland Mortgage borrower cannot own any other real property at time of closing.</p>
OTHER	<p>No manual underwriting allowed.</p> <p>This product follows all underwriting overlays of US Bank, Fannie Mae, Freddie Mac, FHA/VA/RHS and PMIs.</p> <p>All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document.</p> <p>Montgomery Homeownership Program cannot be used in conjunction with any MMP products (other than the Maryland HomeCredit, Maryland Credit 640-FHA Loans and the Special Assistance Grant).</p>

Disclaimer: The terms and conditions are subject to change until the lender locks the loan in Lender Online. A potential borrower should contact an approved lender for further loan information (see mmp.maryland.gov for a list of approved lenders). In connection with the Maryland Mortgage Program, the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower, about the actual benefit a Maryland Mortgage loan might provide in specific situations. Each borrower's situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.



Larry Hogan,
Governor
Boyd K. Rutherford,
Lt. Governor



Kenneth C. Holt,
Secretary
Tony Reed,
Deputy Secretary

For more information, please visit:

**MMP.Maryland.gov/
Montgomery
Homeownership Program**

Single Family Housing - Community Development Administration
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