

FACT SHEET: SPECIAL ASSISTANCE GRANT -LPA underwritten conventional loans only-



MARYLAND MORTGAGE
Making Homeownership Affordable

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| PURPOSE | To assist income selected homebuyers with down payment and closing costs associated with purchasing a home in Maryland using the Maryland Mortgage Program (MMP) for Freddie Mac HFA Advantage conventional mortgages only . The Maryland Department of Housing and Community Development ("the Department") offers an outright grant of \$2,500 for borrowers with income not exceeding 50% of the Area Median Income (AMI) and \$1,500 for borrowers above 50% and not exceeding 80% of the Area Median Income (AMI) as detailed in the attached list). |
| DATE | The Special Assistance Grant (SAG) can be added to loans reserved on or after May 18, 2018 and will be available until CDA issues a directive that the initiative is closed. |
| CLOSING COST & DOWN PAYMENT ASSISTANCE | <p>This grant may be added to conventional (Freddie Mac) 1st Time Advantage products and conventional (Freddie Mac) Flex products. Please refer to each existing MMP product fact sheet which specifies if the respective product can be combined with SAG.</p> <p>This grant is not available with Maryland SmartBuy and cannot be used with refinance products.</p> <p>The grant funds can be used for down payment and closing costs for an MMP Freddie Mac conventional mortgage loan at closing.</p> <p>The grant funds must be added to the Closing Disclosure (CD) in section "L" AS TWO SEPARATE LINE ITEMS (please contact U.S. Bank, the Master Servicer, for further instructions if needed). Identify the grant funds as "MD CDA's Affordable Subsidy \$2,500 Grant" or "MD CDA's Affordable Subsidy \$1,500 Grant" as applicable. The Freddie Mac Special feature code "H56" should be added to the 1008 form.</p> <p>The grant is strictly \$1,500 for borrower income up to 80% AMI and \$2,500 for borrower income up to 50% AMI and no higher or lower amounts are allowed. Under the Special Assistance Grant, the lender will advance the \$1,500 or \$2,500 grant funds at closing, and the Master Servicer (U.S. Bank) will reimburse the lender directly after the first mortgage loan is purchased.</p> <p>Regular Down Payment Assistance can be layered with this product, and must be listed separately on the CD.</p> <p><i>(Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.)</i></p> |
| PARTNER MATCH PROGRAM | May be layered with this product, and must be listed separately on the CD. |
| MARYLAND HOMECREDIT PROGRAM | May be used in conjunction with this product. As an additional incentive , CDA will waive the \$450 CDA MCC fee for a mortgage credit certificate (MCC) obtained with this product (MCC must be reserved). Lenders may continue to charge their MCC fee up to a maximum of \$350. The Maryland HomeCredit Program is subject to federal regulations and availability of funds, and may be discontinued at any time in the Maryland Department of Housing and Community Development's sole discretion. |
| INTEREST RATE | Rates are published daily by the Department for the first lien. The grants do not carry any interest. |
| ELIGIBLE BORROWERS | <ul style="list-style-type: none"> o Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program, U.S. Bank overlays and Freddie Mac guidelines. (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 All Maryland Mortgage Program purchase products require homebuyers to take a Homebuyer Education class. An education class may be any class approved by HUD, FNMA, or Freddie Mac, including an online class. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx). o This product has specific income limits listed on page 3. |
| FIRST TIME HOMEBUYER REQUIREMENT: | Some of the Maryland Mortgage Program products are limited to first-time homebuyers and others allow repeat homebuyers. Please refer to each product fact sheet for clarifications and eligibility. Regardless of the waiving of the first-time homebuyer requirement, a Maryland Mortgage borrower cannot own any other real property at time of closing. |
| OTHER | <p>This product follows all underwriting overlays of US Bank, Freddie Mac, and PMIs.</p> <p>Loans must be underwritten and approved through LPA. The LPA Feedback Certificate should reflect the following:</p> <ul style="list-style-type: none"> Purchase Eligibility - Eligible Risk Class - Accept <p>All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document.</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.

MMP.Maryland.gov



Single Family Housing - Community Development Administration
Maryland Department of Housing and Community Development
7800 Harkins Road • Lanham, MD • 20706





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SPECIAL ASSISTANCE GRANT – MAXIMUM INCOME/AFFORDABILITY LIMITS FOR BORROWERS

| County Name | Income Limit for 50% AMI | Income Limit for 80% AMI |
|--------------------|---------------------------------|---------------------------------|
| Allegany | \$29,650 | \$47,440 |
| Anne Arundel | \$50,500 | \$80,800 |
| Baltimore | \$50,500 | \$80,800 |
| Baltimore City | \$50,500 | \$80,800 |
| Calvert | \$59,950 | \$95,920 |
| Caroline | \$34,200 | \$54,720 |
| Carroll | \$50,500 | \$80,800 |
| Cecil | \$45,050 | \$72,080 |
| Charles | \$59,950 | \$95,920 |
| Dorchester | \$34,200 | \$54,720 |
| Frederick | \$59,950 | \$95,920 |
| Garrett | \$34,200 | \$54,720 |
| Harford | \$50,500 | \$80,800 |
| Howard | \$50,500 | \$80,800 |
| Kent | \$37,850 | \$60,560 |
| Montgomery | \$59,950 | \$95,920 |
| Prince George's | \$59,950 | \$95,920 |
| Queen Anne's | \$50,500 | \$80,800 |
| Somerset | \$35,250 | \$56,400 |
| St. Mary's | \$50,850 | \$81,360 |
| Talbot | \$40,050 | \$64,080 |
| Washington | \$37,800 | \$60,480 |
| Wicomico | \$35,250 | \$56,400 |
| Worcester | \$35,250 | \$56,400 |

For more information, please visit:

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