Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary

dhcd.maryland.gov

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT

# Maryland Mortgage Program

*Great Places* **WIN**



# Who Are We?

The Community Development Administration is the Housing Finance Agency for the State of Maryland and offers:

Maryland Mortgage Program (MMP)

~VA, FHA, USDA, and Conventional Insured Loans~

Maryland HomeCredit Program

~re-issued mortgage credit certificates only~

# Maryland HomeCredit Program

The Maryland Home Credit Program is no longer offering new mortgage credit certificates (MCCs). In the case of refinance (with or without an MMP first mortgage), a homeowner with an existing MCC can get the certificate reissued through an MMP lender approved to offer the program (as an MCC-ONLY REISSUE). The fee would be $450 to CDA and up to $350 to the lender.

# Benefits of MMP

STABILITY: 30-year fixed-rate mortgage terms

FLEXIBILITY: Network of lenders statewide

ASSISTANCE: Down payment and closing cost assistance options available for purchase loans

# Down Payment Assistance (DPA)

- DPA **loans** have a zero percent interest rate, deferred for the life of the first mortgage
- DPA **grants** are outright grants—not repayable
- Some products don't have DPA, but usually have lower interest rates
- MMP DPA is only available with an MMP first mortgage

# Maryland Mortgage Program Product Line

# Dual Track Product Line

## MMP 1st Time Advantage

- For first-time homebuyers only
- Usually lower rates

## MMP Flex

- For REPEAT homebuyers OR first-time homebuyers

# MMP 1st Time Advantage Loans

- 1st Time Advantage Direct
  - No MMP DPA, low interest rate
- 1st Time Advantage 6000
  - $6,000 DPA loan

  (can get Partner Match, if applicable)
- 1st Time Advantage 3% Loan
  - DPA equal to 3% of first mortgage
- 1st Time Advantage 4% Loan
  - DPA equal to 4% of first mortgage
- 1st Time Advantage 5% Loan
  - DPA equal to 5% of first mortgage
- MMP Uplift 5% Loan
  - Only available to UPLIFT Properties
- HomeStart 6% Loan

For borrowers with ≤50% AMI. Comes with a DPA loan equal to 6% of the first mortgage.

# MMP Flex Loans
## For Repeat OR First-Time Homebuyers

- Flex Direct
  - *No MMP DPA, low interest rate*
- Flex 6000
  - *$6,000 DPA loan, can be layered with Partner Match*
- Flex 3% Loan
  - *DPA loan equal to 3% of the first mortgage*

***~~No borrower or household member can own other property at the time of closing.~~***

# Partner Match Programs

- Available with the 1st Time Advantage 6000 & Flex 6000 products
- Matches a participating partner contribution up to $2,500, in a zero percent deferred loan
- Funds are combined in the DPA loan Note
- Partners can be employers, builder/developers, and community agencies.
- Partners are listed on the website

Partner Match Down Payment Assistance | Maryland Mortgage Program

# Partner Match Programs... continued

- House Keys 4 Employees (HK4E)
- Builder/Developer Incentive Program (BDIP)
- Community Partners Inventive Program (CPIP)

Smart Keys (which can only be layered onto House Keys) allows borrowers to receive an additional $1,000 of match funds if:

Property is located in a Priority Funding Area; AND
Property is within 10 miles of borrower's place of employment or within the boundaries of the local jurisdiction

# Combining Assistance Funds

**Example: Funds contributed from builder/developer partner AND from employer partner.**

| Partner Match Contributor | Funds Contributed |
|---|---|
| DPA Loan with 1st Advantage 6000/Flex 6000 | 6000 |
| Participating Partner contribution-builder/developer (varies) | 3000 |
| Participating Partner contribution – employer partner (varies) | 1000 |
| MMP HK4E, BDIP or CPIP maximum match – CAN ONLY MATCH UP TO $2,500 | 2500 |
| TOTAL ASSSISTANCE | 12,500 |

# Specialty Products

- Maryland SmartBuy
- HomeAbility
- Montgomery County Products
    - Montgomery Homeownership Program
    - MEDPAL

# Maryland SmartBuy

- Designed to assist first-time homebuyers with student debt, SmartBuy is an innovative solution and has become a national model, inspiring other states, counties, and cities to launch similar initiatives.
- Homebuyer eligibility criteria: existing student debt up to a maximum of 15% of the home purchase price with a cap of $25,000, requires complete payoff of student debt by closing.  If a co-borrower has student debt and that can be paid off completely, that is allowed.  Minimum credit score is 720.
- Lender funds all loans and gets reimbursed for both the unsecured second loan and the optional DPA loan the same way as regular MMP DPA loans.

# Maryland SmartBuy… continued

Structure – Two Loans + optional DPA

- 1ST **Mortgage**: A conventional amortizing mortgage up to 97% of the sales price. This will be handled as a normal MMP loan (serviced by US Bank).
- 2nd **Loan** (aka Secondary Assistance Loan): A forgivable loan of up to 15% of the purchase price (capped at $25,000), which is used to pay off the student debt for at least one borrower. This is a 0% deferred loan with no payments, forgivable over 5 years at 20% per year. This second loan is not a lien on the property.

# Maryland SmartBuy DPA Options

- Optional DPA Mortgage
- $6,000 in Down Payment Assistance (DPA), or
- 6% DPA (for ≤50% AMI borrowers)

This special transaction structure is ONLY available with SmartBuy and cannot be layered with other MMP products.

Approved lenders and other SmartBuy information on our website:

Maryland Smartbuy Loan | Maryland Mortgage Program

# SmartBuy Lenders

- Participation in the Maryland SmartBuy is limited to specifically approved lenders.  This is requested by the **Admin Contact.** Additional hard copy agreements are not required.
- Approved lenders may designate a specific contact for SmartBuy, or choose to have their logo, which leads to their usual branch contact info. The **Admin Contact** emails this request to: SingleFamilyHousing.DHCD@Maryland.gov

Approved SmartBuy Lenders can be found here:

Search Lender Directory | Maryland Mortgage Program

# HomeAbility

- Designed to assist first-time homebuyers with disabilities.
- Up to 95% of the purchase price in a first lien; up to 25% of the purchase price in a 0% second lien for down payment and closing costs (max 105% CLTV).
- Special income limits - see website for 80% Area Median Income Limits.
- Funding is allocated annually; a directive is sent when it is fully committed for the year.

# Montgomery Homeownership Program

- Offers DPA of up to 40% of income (maximum $50,000) in a zero percent deferred second loan; repayable upon sale/transfer/refinance.
- Only available in Montgomery County.
- DPA is funded by Montgomery County and administered by CDA; funds are limited.

# Montgomery Employee Down Payment Assistance (MEDPAL)

- Offers $50,000 in a zero percent deferred second loan; can be forgiven after 30 years if not repaid earlier.
- Only available to 1st time homebuyers of certain Montgomery County employee classifications to purchase a home in Montgomery County. Borrower must bring 1% of sales price to closing.
- DPA is funded by Montgomery County and administered by CDA. Funds are limited.

# Benefits of Conventional Loans

- Conventional loans may have a lower mortgage insurance (MI) payment.
- For LTV lower than 80%, MI is not required for conventional loans.
- FHA requires an upfront MI payment as well as monthly payments.
- FHA requires a 3.5% minimum down payment; conventional only requires 3.0%.

# Conventional Loans – Coverages

Fannie Mae and Freddie Mac offer lower premiums for borrowers with AMI under 80%. These are set by the GSEs and questions should be directed to them or the private mortgage insurers. MMP has different conventional program codes based on if the AMI is over or under 80% AMI.

Contact lender for details!

# Conventional Refinance

**97% LTV Conventional Refinance Loan Program**

30-year, fixed rate, fully amortizing, limited cash out

Higher LTV limit ~ Lower MI premiums

(No DPA available)

**If using this refinance product, a borrower can have their existing MMP DPA loan subordinated.**

# Participating Mortgage Insurers

- Arch
- Essent Guaranty, Inc.
- Genworth Financial, Inc.
- Mortgage Guaranty Insurance Corporation
- National
- Radian

*In addition to Federal Housing Administration (FHA) insurance and Veterans Administration (VA) or Rural Housing Services (RHS) guaranty

# General Program Eligibility

# Eligibility

- Borrowers may be single or married. If married, both spouses are not required to apply, but will be included in the household income calculation.
- Must intend to occupy the property as the principal residence within 60 days of closing.
- Cannot own any other real property **ANYWHERE** at the time of closing.

# General Eligibility

- Must have a valid social security number and be eligible to work in the United States.
- Citizenship of the United States is not required to obtain a CDA loan.
- Everyone on the loan must live in the home—no co-signers!

# The Mapper

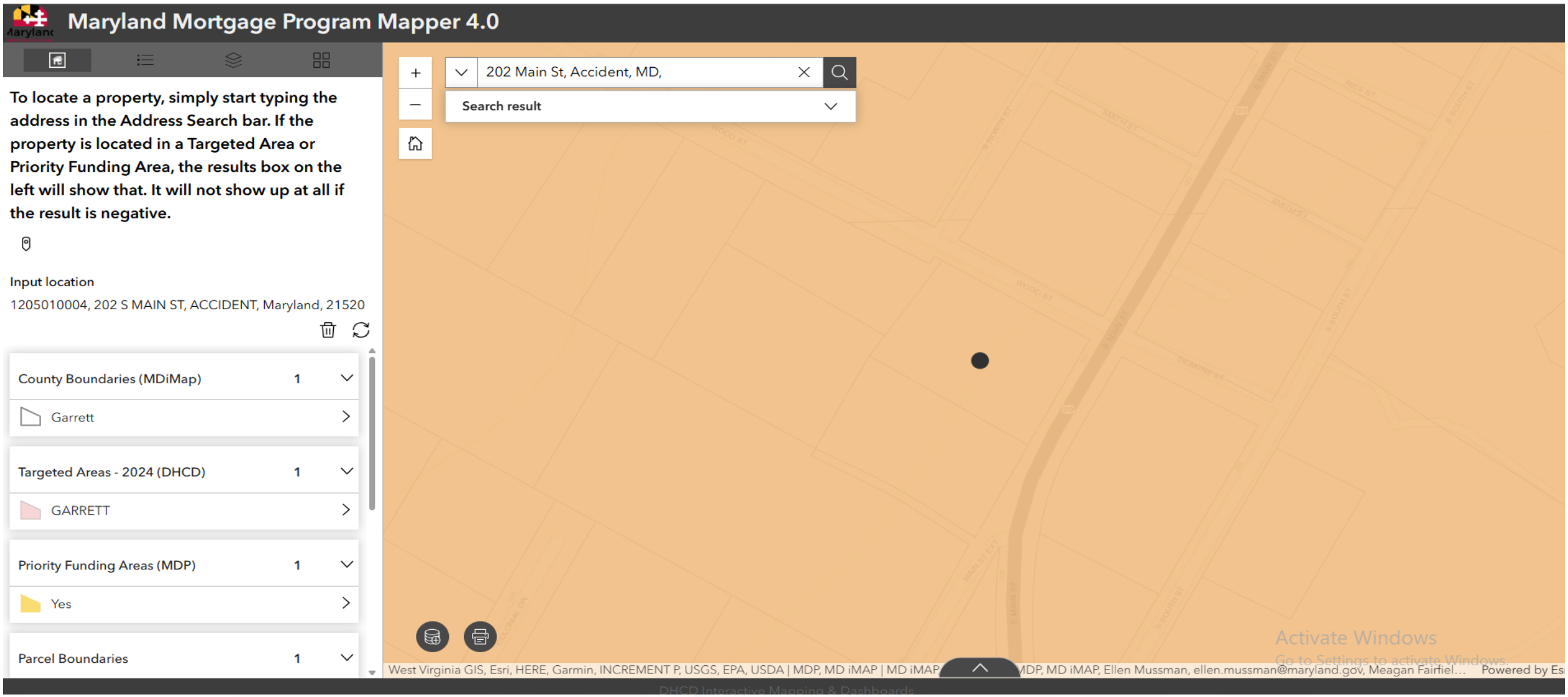
Go to: Maryland Mortgage Program Mapper

- In the “Find Address” box, enter the address.  Press GO.
- Results will show on the left.  If it is a PFA or Targeted Area, that information will be shown (but will only show if the answer is YES)
- A video showing how to use the Mapper is on the MMP training page.

# Priority Funding Areas

New construction properties (anything built within the last year) must be in Priority Funding Areas (PFAs) – these are older communities or locally-designated growth areas where State and local governments already have a significant financial investment in the existing infrastructure.

***The Mapper can be used to identify PFAs!***


experience.arcgis.com/experience/79d5afc9ff254cf29328063b345ef007#data_s=id%3Awidget_12_output_config_default_geocode_utility_1_0%3A0
Relaunch to update
Maryland Mortgage Program Mapper 4.0
To locate a property, simply start typing the address in the Address Search bar. If the property is located in a Targeted Area or Priority Funding Area, the results box on the left will show that. It will not show up at all if the result is negative.
Input location
1205010004, 202 S MAIN ST, ACCIDENT, Maryland, 21520
County Boundaries (MDiMap) 1
Garrett
Targeted Areas - 2024 (DHCD) 1
GARRETT
Priority Funding Areas (MDP) 1
Yes
Parcel Boundaries 1
202 Main St, Accident, MD,
Search result
West Virginia GIS, Esri, HERE, Garmin, INCREMENT P, USGS, EPA, USDA | MDP, MD iMAP | MD iMAP
MDP, MD iMAP, Ellen Mussman, ellen.mussman@maryland.gov, Meagan Fairfiel…
Powered by Es
Activate Windows
Go to Settings to activate Windows.
DHCD Interactive Mapping & Dashboards

# Borrower Eligibility

**For First-Time Advantage, HomeAbility, SmartBuy, Montgomery Homeownership Program, & MEDPAL loans, borrowers MUST be first-time homebuyers.**

A first-time homebuyer is defined as not having owned a home ANYWHERE in three years. Exceptions include:

- A borrower purchasing in a **TARGETED AREA.**
- An active duty or honorably discharged veteran using their exemption for the first time *(A copy of the DD-214 or current statement of service letter must be provided to Lender).*

What is a Targeted Area | Maryland Mortgage Program

# Income & Purchase Price Limits

2026 Maximum Mortgage Limits

Projected income for ALL household members (including overtime, part-time, commissions) is used to determine income—total household income may not exceed the established limit (which differs by jurisdiction and household size).

# Income & Purchase Price Limits... continued

| Counties & Cities | Household Size | Income Limits Non-Targeted | Income Limits Targeted | Maximum Acquisition Cost Non-Targeted | Maximum Acquisition Cost Targeted | CDA Maximum Mortgage Limits |
|---|---|---|---|---|---|---|
| Allegany County | 1 or 2 | N/A | $164,520 | N/A | $692,211 | $541,287 |
| Allegany County | 3 or more | N/A | $191,940 | N/A | $692,211 | $541,287 |
| Anne Arundel County | 1 or 2 | $140,759 | $164,520 | $782,118 | $955,922 | $747,500 |
| Anne Arundel County | 3 or more | $161,873 | $191,940 | $782,118 | $955,922 | $747,500 |
| Baltimore City | 1 or 2 | N/A | $164,520 | N/A | $955,922 | $747,500 |
| Baltimore City | 3 or more | N/A | $191,940 | N/A | $955,922 | $747,500 |
| Baltimore County | 1 or 2 | $140,759 | $164,520 | $782,118 | $955,922 | $747,500 |
| Baltimore County | 3 or more | $161,873 | $191,940 | $782,118 | $955,922 | $747,500 |
| Calvert County | 1 or 2 | $190,320 | N/A | $1,255,921 | N/A | $832,750 |
| Calvert County | 3 or more | $222,040 | N/A | $1,255,921 | N/A | $832,750 |

Income and purchase price limits are established by the insurer agencies, not by CDA. They are updated semi-annually.

# Asset Restrictions

- Borrowers' liquid assets may not exceed 20% of the sales/purchase price (not including 401K or retirement).
- A "gift of equity"(difference between the appraised value and the purchase price) in a non-arms length transaction is considered an asset.
- An asset test is required for borrowers whose assets equal or exceed 20% of the sales/purchase price.
- **The asset test requirement applies regardless of whether DPA is being utilized.**

# Homebuyer Education (HBE) Requirements

- All homebuyers must take homebuyer education and receive a certificate.
- The mandatory homebuyer education must meet the guidelines of the insurer, US Bank, and any funding source.
- MMP allows any class—online or in person—approved by HUD, Fannie Mae, Freddie Mac, or the private mortgage insurers, as long as a dated certificate is issued within 12 months prior to closing (all homebuyers must get a certificate).
- Borrower must still meet the requirements of the master servicer, insurer or funding source, including for any non-MMP assistance funds.
- MMP encourages HBE completion prior to contract.

Homebuyer Education | Maryland Mortgage Program

# Borrower Eligibility...continued

FHA Loans :

640-679 FICO = max DTI 45%

≥680 FICO = max DTI 50%

VA & USDA Loans:

640-679 FICO = max DTI 45%

≥680 FICO = max DTI 50%

Conventional Loans:

640 FICO=50% with AUS Approve/Eligible

# Maximum Loan Amount

Maximum MMP loan amount is the lesser of the limit published on the Income and Purchase Price Limits chart ("CDA Maximum Mortgage Limit") or the insurer/guarantor's maximum mortgage amount. The maximum amount varies according to county.

# Eligible Properties

## PROPERTY SIZE

- Maximum lot size is 4 acres.
- For lots greater than 4 acres, an exception must be requested from CDA.
- No exceptions will be granted for lots over 10 acres.

# Eligible Properties

## HOUSING TYPES

- Detached
- Attached
- Semi-detached
- Townhouses
- Modular
- Condominium
- Manufactured Housing

# Flip Policy

The Maryland Mortgage Program follows the FHA Anti-Flipping Policy.

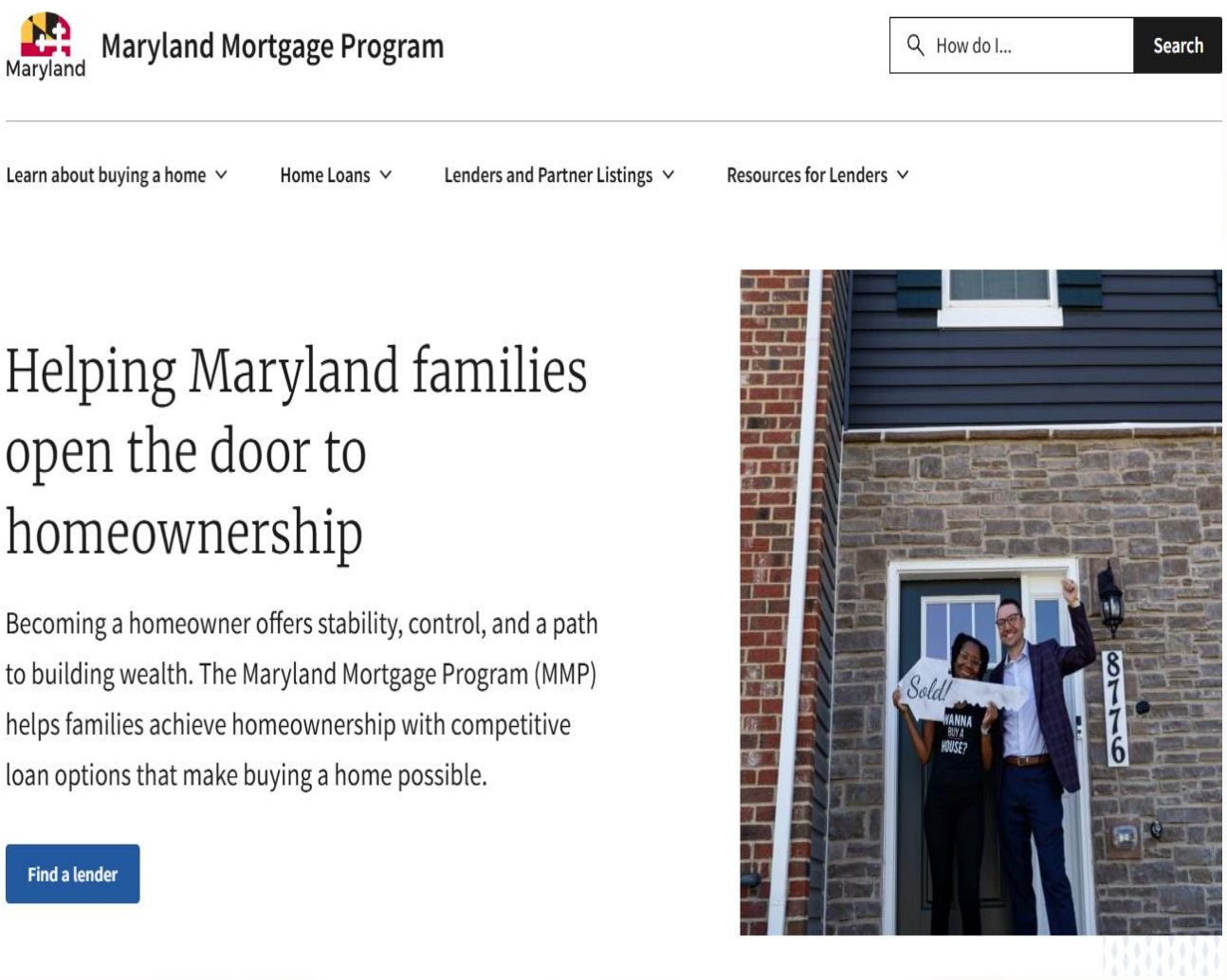
# Contract Ratification

**Contracts must be fully ratified prior to reservation.**

**CDA reserves the right to cancel any reservation or deny the purchase of a loan that does not have a fully ratified contract, signed by all parties, prior to reservation date.**

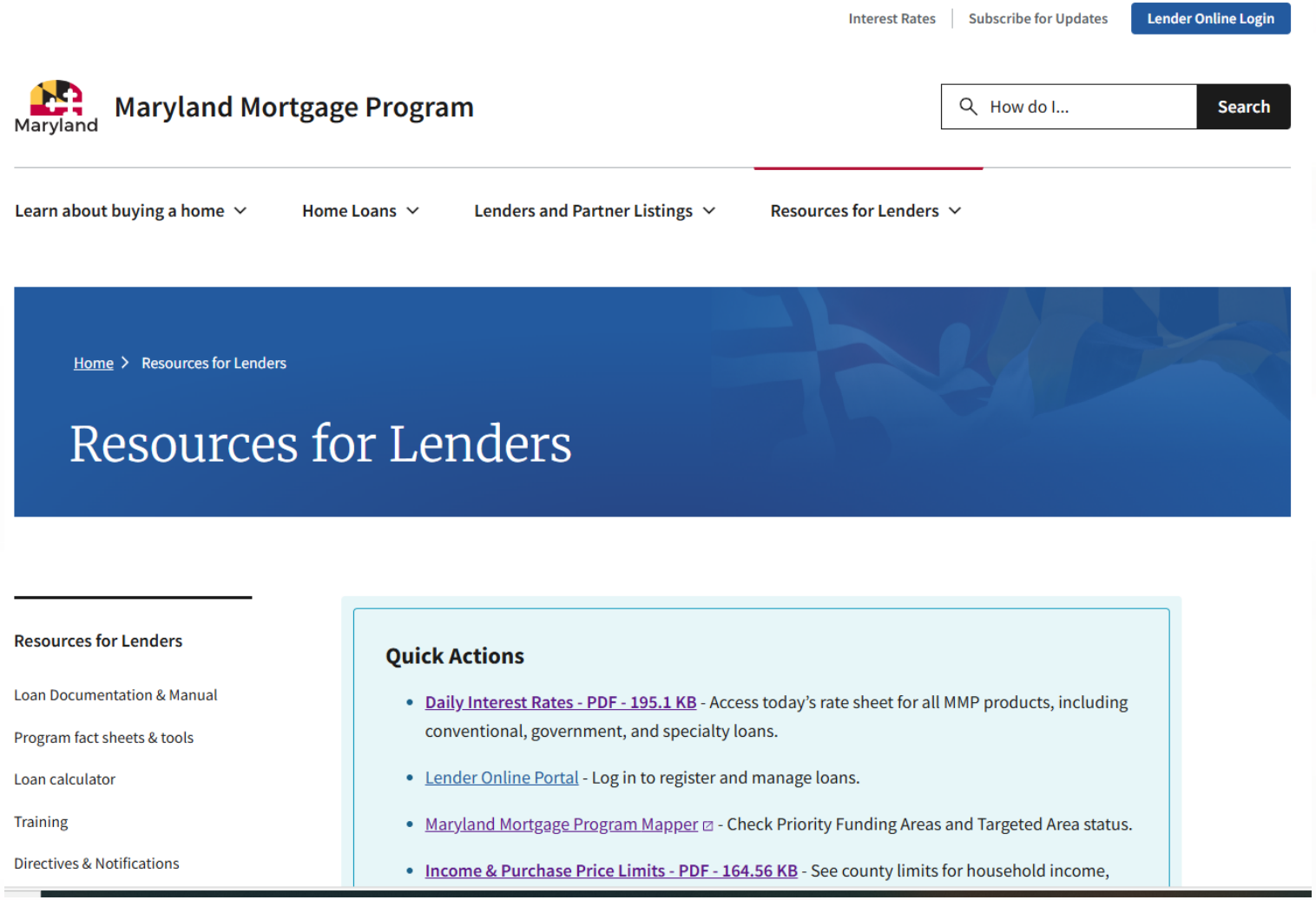
***This includes third party (lender) approval for short sale transactions*.**

# Resources




[mmp.maryland.gov](mmp.maryland.gov)

Website contains information on programs, rates, initiatives, approved lenders and more.




Resources for our industry partners are found under Resources for Lenders.

# Resources for Industry Partners... continued

## Partnership & Training

Resources for becoming and growing as an MMP-approved partner.

**Work With Us: Partner Benefits** →
Learn about our lead referral program for top-producing loan officers and certification opportunities for realtors.

**Training Resources** →
Access training videos, webinars, and presentations for lenders, realtors, and housing counselors.

**Becoming an Approved Lender** →
View the requirements and application process to become an MMP-approved lending partner.

**Contact Information**
View the contact information for the Community Development Administration (CDA) and US Bank departments to get support with your loans.

### Stay informed & subscribe for updates

Stay up to date with the Maryland Mortgage Program by signing up for email updates, including a regular Partner Bulletin, daily Interest Rate Sheet and Directives/Notifications.

Sign up for email updates

# Lender Online

The Program Code Guide is here:

CDA PROGRAM CODE GUIDE

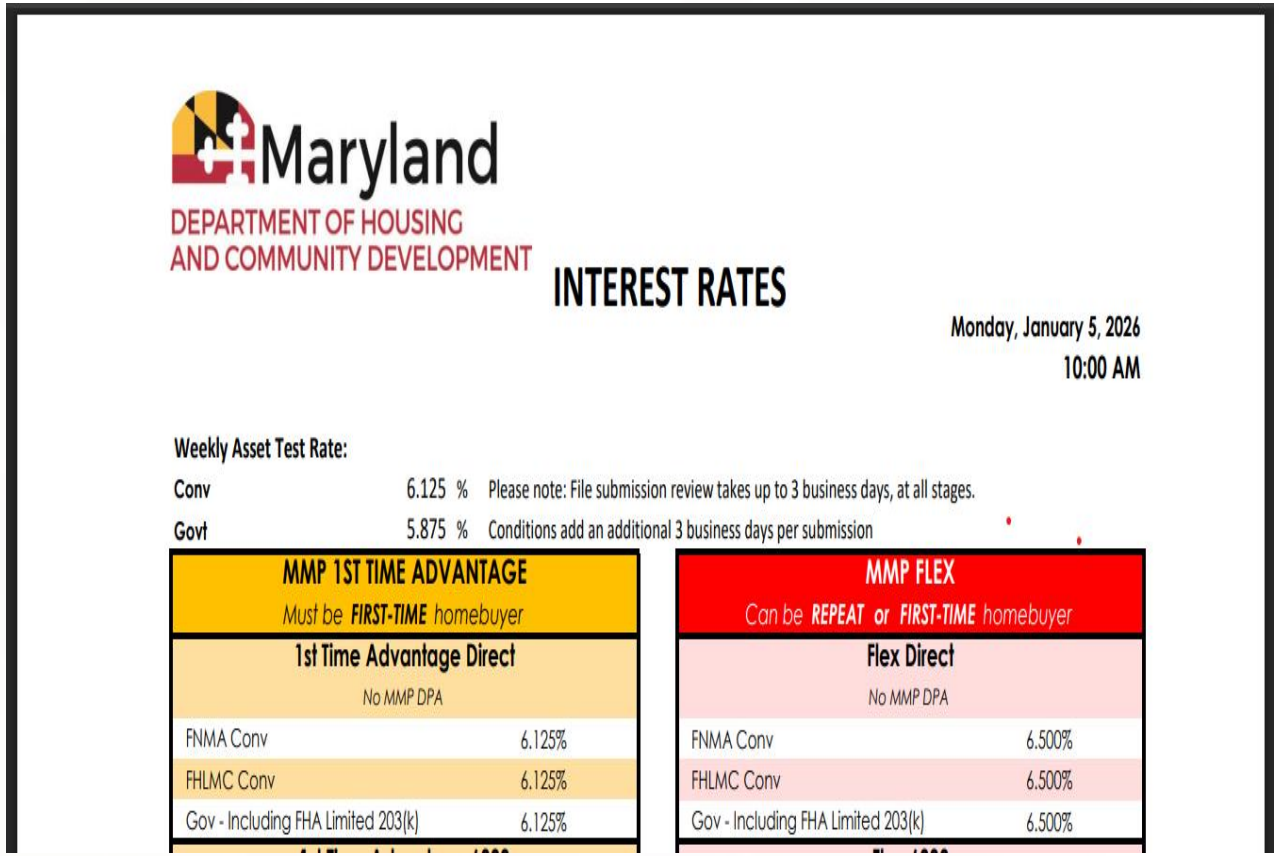
To submit a package, select the appropriate checklist from the Documents page, and upload the docs in that order.  There should only be a few uploads.  Not one for each document.

There is a checklist and uploads for each mortgage.  The second mortgage docs are submitted using the second portal tab in Lender Online.

# Interest Rates

View the interest rates (updated every weekday and sometimes more frequently).

Interest rates are locked when the reservation is made.



Maryland
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

**INTEREST RATES**

Monday, January 5, 2026
10:00 AM

**Weekly Asset Test Rate:**

| | | |
|---|---|---|
| Conv | 6.125 % | Please note: File submission review takes up to 3 business days, at all stages. |
| Govt | 5.875 % | Conditions add an additional 3 business days per submission |

| MMP 1ST TIME ADVANTAGE<br>*Must be **FIRST-TIME** homebuyer* | |
|---|---|
| **1st Time Advantage Direct**<br>*No MMP DPA* | |
| FNMA Conv | 6.125% |
| FHLMC Conv | 6.125% |
| Gov - Including FHA Limited 203(k) | 6.125% |

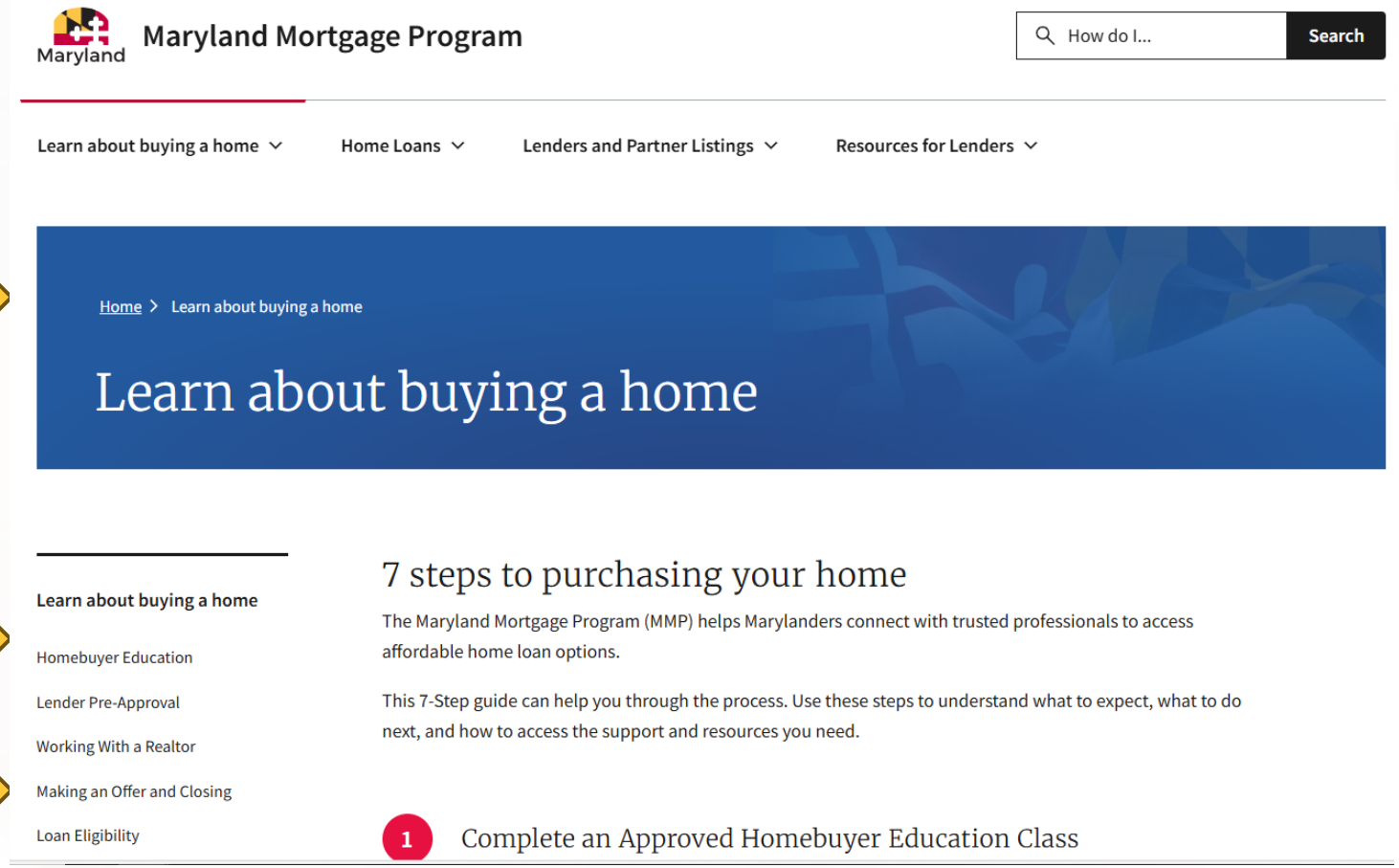
| MMP FLEX<br>*Can be **REPEAT** or **FIRST-TIME** homebuyer* | |
|---|---|
| **Flex Direct**<br>*No MMP DPA* | |
| FNMA Conv | 6.500% |
| FHLMC Conv | 6.500% |
| Gov - Including FHA Limited 203(k) | 6.500% |

# Consumer facing information can be reached from the Home screen

Links to information about eligibility, homebuyer education, approved lenders, realtors, etc.

Referrals to Lenders

Product descriptions



# MMP Product Calculator

The MMP Calculator can:

- Identify potentially eligible MMP loan products based on basic criteria
- Estimate monthly payments (principal and interest only) based on current MMP interest rates. Taxes, insurance, and escrows **are not included** in the estimated payments

Loan calculator | Maryland Mortgage Program

# Contacts

*If there are issues with a loan or closing:*

Talk to the lender.  The lender has the contractual relationship with CDA and inquiries should go through them.

*If you need more help:*

SingleFamilyHousing.DHCD@Maryland.gov

# @MarylandMMP





