

APRIL 19, 2022

Directive 2022-02

TO: ALL PARTICIPATING LENDERS

SUBJECT: ANNOUNCING THE MARYLAND MORTGAGE PROGRAM 1ST TIME ADVANTAGE 5% AND 4% DPA AND ENDING OF THE 4% FLEX GRANT

In our ongoing effort to align with the market and help Maryland homebuyers, the Maryland Mortgage Program (MMP) is glad to announce the following changes and additions to our product line:

- **1ST TIME ADVANTAGE 5% DPA** – To help alleviate the reduced affordability burden for first-time home buyers, MMP is launching a new 5% down payment and closing cost assistance loan option.
- **1ST TIME ADVANTAGE 4% DPA** - Due to the continuing volatility in the market and significantly elevated interest rates, MMP is suspending the 4% FLEX Grant product (effective immediately) and replacing it with a new 1st Time Advantage 4% DPA loan product, which will provide the same amount of assistance and can be offered at a lower rate.

Both of these new 1st Time Advantage products are for first-time homebuyers (as defined by the Maryland Mortgage Program) and use the full Pre-Closing Compliance Package #1. All of the usual MMP requirements apply, as well as those of US Bank, the Agencies and the insurers.

Fact Sheets for the new products can be found on the following page:

<https://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx>

The new program codes can be found at the following link:

<https://mmp.maryland.gov/Lenders/Documents/CDAPROGRAMCODEGUIDE.pdf>

As always, we appreciate your continued participation in our programs.



If you have any questions concerning this Directive or suggestions for improvements, please email singlefamilyhousing.dhcd@maryland.gov.

Sincerely,

Karl Metzgar

Karl Metzgar
Assistant Director / Operations Manager
Single Family Housing

