

PURPOSE

To help Maryland first time homebuyers purchase a home in Montgomery County by offering a deferred Down Payment and Closing Cost Assistance loan in conjunction with the Housing Opportunities Commission of Montgomery County's ("HOC") Mortgage Purchase Program's ("MPP") first mortgage loan. The Montgomery County Homeownership Assistance Fund ("McHAF") in combination with HOC's MPP will provide substantial down payment and closing cost assistance granting up to **40% of the household's qualifying income for a maximum of \$25,000.**

RESERVATION OF FUNDS

Lenders may reserve **Montgomery County Homeownership Assistance Funds Program** loans until the funds are expended.

McHAF DOWNPAYMENT AND CLOSING COST ASSISTANCE

In combination with the HOC First Mortgage Program, the McHAF will be a down payment and closing cost assistance loan in the form of a zero percent deferred loan. The maximum McHAF loan will be 40% of the **total qualifying household income with a maximum total of \$25,000.**

TERMS:

- Zero percent (0%) per annum.
- Ten (10) year deferred loan. No interest shall accrue on the loan and no monthly installments shall be due. Pro rata due upon sale during first 10 years and may be subordinated with a refinance only. The loan will be forgiven after 10 years.

OTHER CLOSING COST PROGRAMS:

- Can be combined with MPP's Revolving Closing Cost Assistance Program (RCCAP/"5 for 5") but the borrower must work in Montgomery County, Maryland to combine both.
- Can be combined with any approved external assistance (i.e. FHLB of Atlanta).

INTEREST RATES

Rates for the first mortgage are published daily. <http://www.hocmc.org/homeownership>

Disclaimer: The terms and conditions are subject to change until the lender locks the loan in eHousingPlus, Inc. A potential borrower should contact an approved lender for further loan information (see www.hocmc.org for a list of approved lenders). In connection with the Mortgage Purchase Program, the Housing Opportunities Commission makes no promises, representations or warranties to any party, including any borrower, about the actual benefit a Montgomery County 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.