

Montgomery County Homeownership Assistance Fund McHAF – Phase IV (4)

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 for First Trust reservations on or after **October 4, 2021.** First mortgage interest rates for the McHAF are posted on the Homeownership webpage. Contact a HOC Participating Lender to check your eligibility.

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).
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INTEREST RATES

Rates for the MCHAF first mortgage are published daily. www.hocmc.org/homeownership



For more information:
www.hocmc.org/homeownership
(240) 627-9798