



MARYLAND MORTGAGE
Making Homeownership Affordable

FACT SHEET: FLEX 3% GRANT

PURPOSE	To assist homebuyers with closing costs associated with purchasing a home in Maryland using the Maryland Mortgage Program (MMP). The Maryland Department of Housing and Community Development ("the Department") offers a first mortgage loan that is accompanied by a 3% grant to pay down payment or closing costs. This specific product requires a simplified loan documentation package (#2) .
LAUNCH DATE	2/25/2019; revised 2/25/2021.
CLOSING COST ASSISTANCE	Flex 3% Grant includes a grant of 3% of the MMP total loan amount (first lien). The grant funds can be used for closing costs and/or down payment for FHA, VA, USDA, FNMA or Freddie Mac loans. The grant available under this program is strictly 3% and no higher or lower percentages are allowed. As with all MMP DPA, lenders will advance the grant funds at closing and the Community Development Administration (CDA) will reimburse the lender after purchase by US Bank. Reminder: CDA assistance programs cannot be used with conventional financing for purchase of a DHCD-owned REO.
DOWN PAYMENT REQUIRED FROM THE BORROWER:	The borrower will bring the minimum down payment required by the loan underwriting guidelines. The grant funds can be used for down payment for all purchase loan types. FLEX 3% GRANT FUNDS CANNOT BE COMBINED WITH OTHER DOWN PAYMENT ASSISTANCE PRODUCTS OFFERED BY CDA.
PARTNER MATCH PROGRAM	Not available with this program. Assistance from employers, builders, non-profits, etc. may be layered with this product but will not be matched by CDA funds.
MARYLAND HOMECREDIT PROGRAM (MCC)	No longer available.
INTEREST RATE	Rates are published by the Department for the first lien. The grant is outright and does not carry any interest.
ELIGIBLE BORROWERS	<ul style="list-style-type: none"> Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program. For more information on MMP requirements, go online to https://mmp.maryland.gov/Lenders/Pages/ProgramInfo.aspx or browse the website at www.mmp.maryland.gov. All Maryland Mortgage Program purchase products require that homebuyers take a Homebuyer Education class. An education class may be any class approved by HUD, Fannie Mae or Freddie Mac, including an online class. Some funding sources have more stringent requirements if their own funds are used. (http://mmp.maryland.gov/Pages/Homebuyer-Education.aspx).
FIRST TIME HOMEBUYER REQUIREMENT:	The borrower can be a repeat homebuyer if using the Flex 3% Grant. Whether a repeat homebuyer or a first-time homebuyer, a Maryland Mortgage borrower cannot own any other real property at time of closing.
OTHER	Please refer to underwriting guidelines for US Bank & the insurers in addition to any MMP guidelines. All other rules relating to Maryland Mortgage Program loans apply except where specifically noted in this document. Flex 3% Grant cannot be used in conjunction with any Maryland Mortgage Program products.

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.



For more information, please visit:

MMP.Maryland.gov

Single Family Housing - Community Development Administration
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