

# Maryland Mortgage Program (MMP) Quick Reference Sheet



*Homebuyer Education (HBE) is required for MMP borrowers. Homebuyers are encouraged to take a class prior to signing a contract. It can be any class approved by HUD, FNMA or Freddie Mac, online or in-person, as long as it meets the guidelines of the servicer and insurer. If other sources of assistance are being used, HBE must also meet the requirements of that funding source. HBE must be completed within 12 months prior to closing.*

- MMP has loan products with Down Payment Assistance (DPA). The loans must be **repaid** (or subordinated, if applicable) when the first mortgage ends. Some loans are forgivable, but that is unusual (SmartBuy).
- MMP loans are available for first-time homebuyers AND repeat homebuyers.
  - **First Time Homebuyer Requirement** applies for any borrower using the First Time Advantage loan products). Flex products can be **repeat homebuyers**.
  - A First Time Homebuyer:
    - Hasn't owned a home ANYWHERE in the last three years; or
    - Is purchasing in a Targeted Area; or
    - Is a veteran using their exemption for the first time
  - This is not the same definition used for determining recording tax.
- Even if the borrower does not have to be a first-time homebuyer, they still **may not own a residence or other real property at the time of closing**.
- Property must be "**Owner Occupied**" and may not be an investment property, second home or have non-occupant co-signers.
- **Maximum Debt-to-Income (DTI) Ratio** for Maryland Mortgage Program loans is 50% for loans with FICO over 680, as long as the AUS gives an Approve/Eligible.
- **Interest rates** are posted on the website here: <https://mmp.maryland.gov/Lenders/Pages/Interest-Rates.aspx>. They change to reflect the market; this can be daily or even more often. When the lender completes the reservation in the Maryland Mortgage Program Lender Online system, the rate is committed. The reservation can't be canceled and re-reserved to get a better rate.
- **Income, Loan and Purchase Limits** vary according to jurisdiction and size of household.
  - Income, loan and purchase limits are on the website here: <https://mmp.maryland.gov/Lenders/Pages/Income-and-Purchase-Limits.aspx>
  - Liquid assets are limited to less than 20% of the purchase price (401K doesn't count).
- **Minimum Credit Score** is 640, but some products have higher minimums (see fact sheets).
- Maryland Mortgage Program loans must be done through an **approved MMP lender**; there are more than 120 lenders; contact information is on our website here: [mmp.maryland.gov/findlender](https://mmp.maryland.gov/findlender). Many (but not all) of them also offer the SmartBuy and HomeAbility products.

## RESOURCES:

- Questions and requests for staff training: [SingleFamilyHousing.DHCD@maryland.gov](mailto:SingleFamilyHousing.DHCD@maryland.gov)
- Fact sheets, Mapper, Product Matrix, etc: <https://mmp.maryland.gov/Lenders/Pages/ProgramInfo.aspx>

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