



INTEREST RATE	Fixed interest rate for the entire term, subject to change daily or more often than once daily if the market experiences significant fluctuations (<i>go to mmp.maryland.gov/Pages/Interest-Rates.aspx for current rates</i>)
RESERVATIONS	Must have a fully ratified contract of sale before loan is reserved. If transaction is a short sale transaction, third party (lender) approval is also required before loan is reserved.
ORIGINATION / DISCOUNT FEES	Zero point only
INCOME LIMITS	Visit mmp.maryland.gov/Lenders/Pages/Income-and-Purchase-Limits.aspx to get current Income Limits
MAXIMUM ACQUISITION COSTS	Visit mmp.maryland.gov/Lenders/Pages/Income-and-Purchase-Limits.aspx to get current Max. Acquisition Costs
MAXIMUM LOAN AMOUNT	<p>\$417,000, with the following exceptions:</p> <ul style="list-style-type: none"> - For FHA loans, the lesser of \$417,000 or the FHA Maximum Mortgage Amount, plus the FHA Up Front Mortgage Insurance Premium (UFMIP) - For VA, RHS and conventional loans, base loan amount plus VA funding fee, RHS guarantee fee or conventional single premium mortgage insurance may not exceed \$417,000
FHA MAXIMUM MORTGAGE AMOUNT	Visit mmp.maryland.gov/Lenders/Pages/Income-and-Purchase-Limits.aspx to get current FHA Max. Mortgage Amount
MAXIMUM ASSETS	If assets exceed 20% of the purchase price, an Asset Test Worksheet (Attachment F) must be completed to determine the eligibility of the borrower
TERM	<p>30-year amortizing mortgage</p> <p>For FHA loans, base loan amount may not exceed 96.5% of the lesser of appraised value or purchase price + FHA UFMIP; For VA loans, base loan amount may not exceed 100% of the lesser of appraised value or purchase price + VA Funding fee; For RHS loans, base loan amount may not exceed 100% of lesser of appraised value or purchase price + RHS guarantee fee</p>
MAXIMUM LOAN TO VALUE (LTV)	<p>For conventional loans:</p> <ul style="list-style-type: none"> - <i>Automated underwrite</i>: loan amount (plus single premium mortgage insurance) may not exceed 97% of the lesser of appraised value or purchase price - <i>Manual underwrite</i>: loan amount (plus single premium mortgage insurance) may not exceed 95% of the lesser of appraised value or purchase price
MAXIMUM DEBT TO INCOME (DTI) RATIO	45.00%, manual or automated underwrite
MINIMUM REPRESENTATIVE CREDIT SCORE	<p>Minimum credit score for FHA loans is 660. Minimum credit score for VA and RHS loans is 640.</p> <p>Note that no manual underwriting is allowed for FHA loans.</p> <p>Conventional loans:</p> <ul style="list-style-type: none"> - Automated underwrite: <ul style="list-style-type: none"> ▪ For loans with LTV's up to 97%: 640 with no reserves <ul style="list-style-type: none"> - Must be run through Desktop Underwriter (DU) and receive an Approve/Eligible - No condominiums permitted - Underwritten by US Bank unless exempt from this requirement - Manual underwrite: <ul style="list-style-type: none"> ▪ For loans with LTV's up to 95% <ul style="list-style-type: none"> - 680 with no reserves and DTI less than or equal to 36% - 700 with no reserves and DTI greater than 36% but less than or equal to 45% - 680 with two months of reserves and DTI greater than 36% but less than or equal to 45% ▪ For loans with LTV's between 95.01% and 97%: NOT PERMITTED
OTHER UNDERWRITING CRITERIA	Refer to US Bank's Underwriting Guidelines at www.allregs.com
MORTGAGE INSURER / GUARANTOR	FHA, VA, RHS or private mortgage insurer

ELIGIBLE BORROWERS

- Must be a first-time home buyer or one of the borrowers must be a veteran as evidenced by a copy of their DD-214 (exercising their one-time exemption to the first time home buyer requirement) unless buying a home in a Targeted Area (see mmp.maryland.gov/Pages/Targeted-Areas.aspx);
- Must occupy the property as their principal residence; non-occupant co-borrowers (co-signers) are not permitted;
- Total annual household income may not exceed Income Limit (see mmp.maryland.gov/IncomePurchaseLimits.aspx);
- Interest in real property (whether or not it is principle residence) must be sold or transferred prior to settlement on MMP loan;
- If current residence is deeded in the name of spouse/non-borrower only, the spouse/borrower cannot also own a residence financed by a CDA loan

ELIGIBLE PROPERTIES**Purchase Price**

- Purchase price (plus capitalized ground rent (200 times the monthly ground rent), if applicable) may not exceed the Maximum Acquisition Cost;

Type of Property

- Existing homes;
- New construction, only if located in a Priority Funding Area (PFA)
 - Municipalities, Baltimore City and areas inside the Baltimore and Washington beltways are PFA's.
 - For new construction, confirm that the property is located in a PFA by using DHCD's mapping tool at <http://dhcd.maryland.gov/maps> or by contacting abutler@mdp.state.md.us;
- Single-family, one-unit residences, including townhouses; detached and semi-detached homes; condominiums units (except conventional loans with LTV's between 95.01% and 97%); and modular homes.

Property Restrictions

Any land appurtenant to the residence which is not necessary to maintain the basic livability of the residence may not be financed with the proceeds of the Mortgage Loan. The lot size cannot exceed four acres, however, exceptions may be requested from SFH, through the Lender, for properties with septic and/or zoning considerations that require additional acreage. The maximum exception will not exceed ten acres. The Lender is to request an exception from the SFH Operations Manager listing the reason(s) why the exception should be made. The borrower's name, address and loan number along with any pertinent documentation is to be included with your written request. These requests are to be submitted to SFH as soon as the Lender is aware of the situation.

HOME INSPECTION

A Home Inspection is required (unless home is newly constructed or substantially rehabbed); Lender must certify in Home Inspection Certificate that Home Inspection was completed and borrower reviewed it.

HOMEBUYER EDUCATION**Mandatory for all borrowers**

- For conventional loans, Borrower's Authorization for Counseling form required (to be included in US Bank's purchase submission);

If borrower also applying for a Down Payment Assistance (DPA) loan (previously known as DSELP), some jurisdictions have unique requirements that must be met (see mmp.maryland.gov/Pages/Homebuyer-Education.aspx)

DOWN PAYMENT AND CLOSING COST ASSISTANCE

See mmp.maryland.gov/Pages/downpayment.aspx for information.

SUBORDINATE LIEN

- Permitted if it complies with insurer/guarantor requirements;
- No shared lien or tacking/attaching secondary financing liens, conditions or riders to MMP Deed of Trust (must be an entirely separate second lien recorded after the MMP Deed of Trust);
- No deed covenants related to the secondary financing may be in Deed incorporating requirements of the secondary financing;
- Terms of repayment must be incorporated into the underwriting of the MMP loan.
- For conventional loans, secondary financing must meet Fannie Mae's guidelines for "Community Seconds" and the CLTV may not exceed the lesser of 105% or the limit imposed by the mortgage insurer



mmp.maryland.gov
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