



Highlights of the BALTIMORE COUNTY "MALP" Mortgage Assistance Loan Program \$25,000 Loan for First Time Home Buyers

This program is an effort to encourage first time homebuyers to consider home ownership in existing residential communities in Baltimore County. The program is administered by nonprofit groups and is available in designated communities. Home Buyer's Workshops and home ownership counseling are offered to potential homeowners. Mortgage Assistance loans up to \$25,000 are available to families whose income is at or below 80% of area median, adjusted for household size:

| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Income Limit | \$44,950 | \$51,400 | \$57,800 | \$64,200 | \$69,350 | \$74,500 | \$79,650 | \$84,750 |

BUYER ELIGIBILITY

1. Before signing a real estate contract, completes Homebuyer Education Curriculum: Two Workshops & Counseling with a Baltimore County affiliated Housing Counseling Agency *.
2. Meets Income Eligibility: 80% of area median, adjusted for household size.
3. First time home buyer (cannot have previously owned a dwelling within the last 3 years). Exceptions can be granted for separation, divorce or death of spouse or prior ownership of documented substandard housing.
4. Qualifies for a fixed rate mortgage with a Participating Lender. (See the *Referral List*)
5. Post purchase liquid assets cannot exceed 25% of gross annual household income.
6. Gift Contributions may not exceed 3% of the sales price.
7. Buyer's proposed post purchase housing and total debt ratios cannot exceed 31% and 43%, respectively, of the gross monthly household income.
8. Has cash equal to 5% of gross household income to contribute to purchase (see below).

PROPERTY CRITERIA

1. Existing dwelling that is owner occupied, occupied by buyer, or vacant. New construction is excluded.
2. Dwelling types: Single family detached, semi-detached, townhouse, and condominium unit.
3. Located within the mapped Community Conservation Area. Please see *MALP Program Boundaries*
4. Has had a satisfactory home inspection and has been certified as meeting the federal Housing Quality Standards (HQS) using an inspection firm from the County's pre-qualified list. The HQS certification provides assurance to the County that the dwelling is free from hazardous defects and meets basic standards for safety and livability. All noted deficiencies must be corrected and verified prior to MALP Loan approval. The home inspection and HQS certification fee can be included as part of the buyer's minimum cash contribution.
4. The cost of repairs required to correct HQS identified deficiencies might be Included in the borrowers maximum loan amount up to \$2,500 when such repairs are done by a licensed contractor.

MALP LOAN TERMS

1. MALP Loan Amount: Minimum \$15,000, Maximum \$25,000 (of which up to \$15,000.00 is required to used for down payment or principal curtailment).
2. Buyer's minimum cash contribution: 5% of gross annual household income.
3. MALP Loan- Loan is deferred for fifteen (15) years ("Affordability Period"). Thereafter, the loan is forgiven after 15 years, unless sale, transfer of title or default occurs before the end of the (Affordability Period) 15 years.
4. Primary Loan- Loan principal is repayable upon the earlier to occur of sale, transfer, refinance, default on primary loan, or discontinuance of borrower occupancy in the home.
5. ** If the property is being purchased as leasehold, the ground rent must be redeemed using closing cost funds.

Note: Official *MALP PROGRAM GUIDELINES & PROCEDURES* adopted by the Baltimore County Office of Community Conservation take precedence and clarify the details of the information presented here.

= **EQUAL HOUSING LENDER** =

Baltimore County - Office of Community Conservation - Housing Opportunities Program
6401 York Road – Second Floor, Baltimore, MD 21212 410-887-3124; Fax: 410-887-5696