



B-HiP

Baltimore Homeownership Incentive Programs



Stephanie
Rawlings-Blake
Mayor



Paul T. Graziano
Housing
Commissioner



www.baltimorehousing.org
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BALTIMORE HOUSING

Office of Homeownership
www.baltimorehousing.org



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BALTIMORE HOUSING

Office of Homeownership
417 E. Fayette Street,
Suite 1125
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410-396-3124
www.baltimorehousing.org

Baltimore Homeownership Incentive Programs

Buying Into Baltimore Fairs and City Living Starts Here Tours

Call: 410-396-4159, or email: Ernestine.Carter@baltimorecity.gov

We mandate that all applicants review the Office of Homeownership Policies and Procedures on page 19 prior to submitting any application for incentives.

What is it?

This program is a joint venture between the City of Baltimore and the Live Baltimore Home Center. This event is now a “lottery”. Buying into Baltimore Tours are scheduled twice throughout the year. City Living Starts Here Tours are scheduled 4 times per year. The 30 awarded homebuyers that attend the Trolley Tour, execute a sales contract within 10 days and has placed their contract in the lottery pool, has an opportunity to receive a \$5,000 award towards closing costs if their name is chosen. Also, the first 10 awarded homebuyers that attend the City Living Starts Here Tours event receive \$5,000 towards closing costs.

Who is eligible?

Homebuyers executing a contract of sale on their properties, having a validated event ticket and counseling certificate within 10 days of the Buying Into Baltimore Home Buying Fair and City Living Starts Here Tours will have their name placed in the lottery pool at Live Baltimore Home Center.

What are the benefits?

\$5,000 down payment (amount is subject to change) and closing cost assistance with no annual income limits.

What are the restrictions/loan terms?

Mortgage loan may not exceed \$417,000. Buyer must contribute at least \$1,000 towards purchase and must use the property as the principal residence. Borrower must attend the fair, get a ticket, and have ticket validated in at least four tour homes. The home must be located in Baltimore City. Contract must be signed after the event. Closing on the property must occur within 90 days of the event date. Loan is forgivable (20 percent per year) over 5 years for each year of occupancy.



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Baltimore Homeownership Incentive Programs

How to Receive Your \$5,000 Down Payment and Closing Cost Award

Please note the new requirement by the City of Baltimore in order to qualify for the \$5,000 award.

How to Qualify for the \$5,000 Award

- Attend a Buying Into Baltimore Fair and have your ticket stamped in at least 4 of the 16 featured tour homes or attend a City Living Starts Here Tour and have your ticket stamped.
- You must purchase a home in Baltimore City.
- Contract of sale must be signed the date of the event or later; contracts signed prior will not be eligible.
- Closing on the property must occur within 90 days of the event.
- Program applicants are required to get one-on-one counseling and a counseling certificate from a City-approved counseling agency prior to signing a contract of sale.
- There are no annual income limits, and you do not have to be a first time homebuyer.

Buyer must:

- Agree to use the Baltimore City property as his/her principal residence.
- Get a fixed rate mortgage.
- Contribute at least \$1,000 towards purchase.
- Complete homeownership counseling and receive a certificate of completion prior to signing a contract of sale.

To Receive Your Award

Incentive Application Procedure

Buy Into Baltimore Trolley Tour Program

The City Living Starts Here Program

***Please Note:** The Trolley Tour Program and City living Starts Here Program are no longer first come, first serve programs. They are now a lottery system and the application process has changed.

1. Buyer goes to City approved Counseling Agency and get homeownership counseling and a counseling certificate.
2. Buyer attends Trolley Tour or City Living Starts Here event and gets Trolley ticket stamped after visiting 4 properties (Trolley Tour) or participates in walking tour (City Living Starts Here).
3. Buyer finds eligible Baltimore City property and signs a contract of Sale.
4. The buyer has 14 days after the day of the event to take their signed contract of sale, counseling certificate, driver's license, and stamped Trolley ticket to Live Baltimore Home Center to apply for the \$5,000 incentive. The Live Baltimore Home Center is located at:

343 N. Charles St., Baltimore, Md. 21202.

Buyer has the opportunity to be a recipient of the \$5,000.00 incentive by placing their case in the lottery pool.



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Baltimore Homeownership Incentive Programs

5. On the 15th day from the event the lottery will take place at Live Baltimore Home Center. For the City Living Starts Here Program event, there will be 10 names drawn from the pool. For the Trolley Tour event, there will be 30 names drawn from the pool. There will be an extra few names drawn (5) to create a waiting list in case any of the drawn previous names do not meet their settlement obligations.

6.) The drawn names and their cases will be sent to the Office of Homeownership to be processed. At this point, the administrator (Earnestine Carter) will be waiting for the final documents from the lender (Appraisal, Final signed loan commitment, Good faith estimate, proof of \$1,000 down payment).

7.) Upon receiving the lenders final package of documents, there will be an approval from the Office of Homeownership and the check and documents will be processed for settlement. This process takes 8 to 10 working days from an approval of your case!

For more information and tour dates, visit: www.livebaltimore.com

Incentive Programs

Baltimore City Employee Homeownership Program

Call: 410-396-4159, or email: Marva.Allette@baltimorecity.gov

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What is it?

This program is designed to assist active employees of the City of Baltimore to become homeowners within the city limits.

Who is eligible?

All active employees of Baltimore City's agencies and quasi-agencies working for a minimum of 6 months.

What are the benefits?

\$5,000 down payment (amount is subject to change) and closing assistance with no annual income limits.

What are the restrictions/loan terms?

Property must be located in Baltimore City. Mortgage loan may not exceed \$417,000. Buyer must contribute at least \$1,000 towards purchase and must use the property as the principal residence. Closing on the property must occur within 90 days of the contract date. Only one City employee per household may receive assistance. Loan is forgivable over 5 years, reducing 20 percent for each year of occupancy.



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Vacants to Value Booster Program



The Vacants to Value Program is a new City initiative to encourage the purchase of City owned vacant properties. The Vacants to Value Booster Program can net a Buyer \$10,000 toward down payment and closing cost assistance for the purchase of an eligible vacant to value property in Baltimore City. An eligible vacant to value property has to have been vacant for at least 1 year. The 1 year criteria can be evidenced by Baltimore Housing's Office of Home Ownership.

This Vacants to Value Incentive program also boosts program amounts of our other traditional homeownership incentive programs as follows:

Community Development Block Grant

A borrower utilizing CDBG's Homeownership Assistance Program funds will still receive \$5,000 in addition to the V2V \$10,000 Booster fund. However, the Buyer can only use these funds to purchase a completed rehabbed vacant home from a developer who purchased the property as a City vacant property.

Live Near Your Work Program

Utilizing this Employer Matching Program, the City will match the employer's contribution up to \$3,000, netting the employee \$6,000 toward the purchase of an eligible V2V property. The employee must purchase a City owned vacant property within the employer's program boundaries. The employee must further occupy this property as their primary residence.

Above are the current adjustments to the City's Incentive Programs to meet the demands of the Vacants to Value Program. The Office of Homeownership's Policy and Procedure applies to all programs.



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Baltimore Homeownership Incentive Programs

Baltimore City Live Near Your Work Program

Call: 410-396-4159, or email: Daibeth.saunders@baltimorecity.gov

We mandate that all applicants review the Office of Homeownership Policies and Procedures on page 19 prior to submitting any application for incentives.

What is it?

This program is a partnership between participating employers and the City of Baltimore designed to encourage homeownership near place of employment. Please see the table below for list of participating employers.

Who is eligible?

Employees of participating companies who are first time homebuyers in the City of Baltimore. Participating employers have the right to develop additional eligibility requirements for their employees.

What are the benefits?

\$2,000 minimum grant or conditional grant (\$1,000 from City of Baltimore, and \$1,000 from employer) to be used toward down payment and closing assistance with no annual income limits. \$5,000 maximum grant or conditional grant (\$2,500 from the City of Baltimore, and \$2,500 from employer) for participating employers.

What are the restrictions?

Buyer must contribute at least \$1,000 towards purchase and must use the property as the principal residence. Funds are a grant. Participating employers have the right to develop additional program restrictions for their employees, including eligible neighborhoods.

Baltimore City Live Near Your Work Program

Participating Employers	Contact	Phone
14 West Administrative Services (Agora)	Rachel Shifreen	410.895.7966
Accountants on Call	Lisa Witt	410.685.5700
Advertising.com	Meg Navor	410.244.1370
Allines, Inc.	Adam Arnold	443.604.1892
Annie E. Casey Foundation, Inc.	Patricia Sutoris	410.223.2943
Assoc. of Baltimore Area Grantmakers	Ann Sherill	410.727.0169
Ayers Saint Gross, Inc.	Melissa Lynch	410.347.8500
Blind Industries & Services of Maryland	Christina M. Tanner	410.233.4567
Blue Water Baltimore	Halle Van Der Gaag	410.254.1577
Bon Secours Balt. Health System	Joanna Pi-Sunyer	410.362.3233
Broadway Services	Tom McNamee	410.563.6943
Brown Capital Management	Charlene Gross	410.837.3243
Cangene BioPharma	Kimberly Brown	410.843.5005
Catalyst IT Services, Incorporated	Peter Lee	410.385.2500
Catholic Relief Services	Hope Reilly	410.951.7417
Chesapeake Digital Printing, Inc.	Gayle Kaplan	410.837.0414
Cho,Benn,Holback and Associates	Diane Cho	410.576.0440
Civic Works	Dana Stein	410.366.8533
CMD Outsourcing Solutions	Vicki McAndrews	410.347.5544
Community Conferencing Center	Nicole Glass-Brice	410.889.7400
Congruent Media, LLC	Jeffrey Rudolph	410.534.6800
Coppin Heights CDC	Gary Rodwell	410.951.3624
Coppin State University	Gretchen Spell	410.951.3622
D-S Pipe and Supply Company, Inc.	Tony Faggio	410.539.8000
DAP Products, Inc.	Rita Mayor	410.675.2100
David Ashton and Associates	Ronnie Younts	410.727.1151
Design Collective, Inc.	Linda Fidazzo	410.246.2505
Digital Cave Media	Nicholas Kovacic	410.988.2682
E.magination Network,Inc.	Trisha Bogy	410.234.1500
Gallagher Evelius and Jones	Diane L. Dongarra	410.727.7702
Greater Baltimore Technical Council	Kathleen Weiss	410.327.9148
Grieves,Worrall,Wright & O’Hatnick, Inc.	Spero Demetrides	410.332.1009
The Harbor Bank of Maryland	Melanie Williams	443.923.0525
Homeless Persons Reprsnt Project, Inc.	Diane Pasternack	410.685.6589
Hord,Coplan,Macht, Inc.	Jan Nelson	410.837.7311
Johns Hopkins Institutions	Sandy Jenkins	443.997.4770
Kann and Associates	Patricia Garrity	410.234.0900
Kennedy Krieger Institute	Kate MacSherry	443.923.5809

Baltimore City Live Near Your Work Program (continued)

Employer	Contact	
Kittelson and Associates	Peter Jenior	443.524.9432
Living Classrooms Foundation	Marika Pinkett	410.685.0295
Loyola College in Maryland	Maurisha Hooper	410.617.1368
MaGerk's Pub	Paul Dolaway	410.576.9230
Mahan Rykiel Associates	Cathy Snellinger	410.235.6001
Marriott	Vivian Taylor	410.209.2804
Maryland Institute College of Art	Courtney Doyle	410.225.2583
MECU	Michelle Williams	410.223.4007
Mercy Medical Center	Cassandra Harley	410.332.9158
Middleton and Meads Company, Inc.	Rose McCauley	410.752.5588
Mission Media, LLC	Todd Harvey	410.752.8950
MuniMae Midland, LLC	Michelle Seager	443.263.2900
Neighborhood Design Center	Lucy Hill	410.233.9686
Netneighborhoods.com	Chris Heine	800.346.5540
Notre Dame of MD. University	Shannon Raum	410.532.5898
Otis Warren Mgmt. Company, Inc.	Dawn Taylor	410.539.1074
People's Homesteading Group, Inc.	Mary Harvey	410.889.0071
Plano-Coudon, Inc.	Brett Plano	410.837.2570
PW Feats, Inc.	Peggy Aparacio	410.727.5575
RGH Enterprises	Ronald Hoff	410.576.0958
RK and K, LLP (Rummel, Kuppler, Kahl)	William Wood	410.462.9350
Round 2 Integrated	Marianne Plaket	410.369.3785
Saint Agnes Healthcare	Nessa Klein	410.368.2161
Salar, Incorporated	Greg Milsom	410.327.8750
Shelter Group	Christal Davis	410.230.6466
Sinai Hospital	Janice Lynn	410.601.4459
Smarterville, Incorporated	Tara Romine	410.843.6915
Southeast Community Dev. Corp.	Lisa Clayton	410.342.3234
Syscom, Incorporated	Verna Willes	410.539.3737
The Canton Group, Inc.	Ethan Kazi	410.675.5708
The Wine Source	David Wells	410.467.7777
Tithe Corporation, Skil-aire	Lisa Ambrose	410.625.7545
Under Armour, Inc.	Franchesca Spellman	410.446.2512
Union Memorial Hospital	Kathleen Diamond	410.554.2672
University of Maryland, Baltimore	Marjorie Powell	410.706.3950
University of Maryland Medical System	Jo-Ann Williams	410.328.5231
US Lacrosse, Inc.	Melanie Kabia	410.235.6882
Venable, Baetjer and Howard, LLP	Linda Carr	410.244.7765
Vitamin, Incorporated	Amanda M. Karfakis	410.732.6542
Ziger/Snead LLP Architechts	Nicole Lamont	410.576.9131



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Baltimore Homeownership Incentive Programs

State Mortgage Programs and Homeownership Assistance

Call: 1-800-756-0119 or visit www.mmprogram.org

State Programs

Homeownership for Individuals with Disabilities Program

To be eligible, at least one borrower must have a disability or is the parent of a child with a disability; the family income is not more than \$85,500; and the sale price is not more than \$300,000. The mortgage program offers a 3% to 5% interest rate loan for income eligible buyers. City settlement funds are part of the program. The minimum cash requirement is approximately \$900. For more program details, please visit the State's Web site at www.dhcd.state.md.us. For Baltimore City, contact Daibeth Sanders at 410-396-4159, Daibeth.Saunders@baltimorecity.gov.

Tenant Conversion Mortgage Program

Tenants buying the home they are currently renting may be eligible for the Tenant Conversion Program. Some City funds may be available for help with settlement costs. The minimum cash requirement is \$1,000. If interested, please contact Daibeth Sanders at 410-396-4159, Daibeth.Saunders@baltimorecity.gov.



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Federal Mortgage Programs

CDBG's Homeownership Assistance Program

Contact: 410-396-3124, or email Brenda.Winston@baltimorecity.gov

What is it?

The Community Development Block Grant Homeownership Assistance Program, can give qualified first time homebuyers \$5,000 toward downpayment and settlement expenses.

Who is eligible?

First-time homebuyers with a counseling certificate from a City Approved Counseling Agency. Upon receiving a counseling certificate, the borrower can then find a property and sign a contract to purchase. Once executing a contract, the borrower must bring that contract back to the counseling agency to have the CDBG program application completed. The property must be inspected utilizing an HQS inspection conducted by a certified lead abatement inspector. Please be absolutely certain that there is no peeling, flaking, chipping paint inside or outside the purchased property.

If there is chipped, peeling, flaking or otherwise deteriorating paint, it must be tested for lead based paint, and if necessary, abated prior to closing. Borrower must ensure that an Inspector certified to conduct Lead Paint Abatement inspection has completed the lead abatement inspection and a copy of the certificate must be provided to the Office of Homeownership prior to closing. Buyers should receive the “**Seller Lead Based Paint Disclosure and EPA Pamphlet**” from the housing counseling agency when evaluating the merits of a house.

Additionally, if you qualify for other mortgage incentive programs, you can “**stack**” these incentives to pay all of your closing cost expenses and may have enough residual to reduce your mortgage principal. We have witnessed homebuyers “**stacking**” more than \$20,000 in incentive funds.

What are the benefits?

\$5,000 down payment and closing assistance structured as a 5-year loan forgivable 20 percent per year.

What are the restrictions/loan terms?

The funding source for the Homeownership Assistance Program have 80% median income limitations. You must be within the income limitations to qualify for this program. A minimum of \$1,000 down must come directly from the purchaser. All homes must be purchased in Baltimore City. Income limitations are as follows:

- 1 person \$46,100
- 2 person \$52,650
- 3 person \$59,250
- 4 person \$65,800
- 5 person \$71,100
- 6 person \$76,350
- 7 person \$81,600
- 8 person \$86,900



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Federal Mortgage Programs

Housing Choice Voucher Homeownership Program

Contact: 410-396-4175, or email Tonya.Small@baltimorecity.gov

What is it?

This program helps current Housing Choice Voucher Program participants purchase homes by converting their monthly rental assistance payments to mortgage payments.

What are the benefits?

The amount of subsidy depends on family size, income, purchase price, and other factors, and reflects each individual household's level of affordability.

What are the restrictions/loan terms?

A minimum of 1 percent of the purchase price must come directly from the purchaser. All homes must be purchased in Baltimore. Participants must meet regular program eligibility requirements in addition to the new regulations governing the Homeownership program. For more information, call 410-396-4175, or email Tonya.Small@baltimorecity.gov.



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Baltimore City Tax Incentives

Newly Constructed Dwelling Tax Credit

Administered by the Baltimore City Department of Finance

Contact: 443-984-3497

- Owner occupied new construction.
- 50 percent credit in first year to 10 percent in fifth year.
- Applies to building permits issued after October 1, 1994.
- Owner must apply for credit within 90 days of closing and title transfer.

Rehabilitated Vacant Dwelling Tax Credit

Administered by the Baltimore City Department of Finance

Contact: 443-984-3497

- 5 year reduction in assessment increase due to rehab.
- 100 percent credit in first year to 20 percent in the fifth year.
- Encourages rehab of vacant property.
- Up to four (4) dwelling unit property.
- Vacant and abandoned for one year.

Home Improvement Tax Credit

Administered by the Baltimore City Department of Finance

Contact: 443-984-3497

- 5 year reduction in increases due to improvements completed.
- 100 percent credit in first year to 20 percent in the fifth year.
- Improvement incentive.

Historic Landmarks and District Tax Credit

Administered by Maryland Historical Trust

For more information and application, contact 410-514-7628

or visit www.marylandhistoricaltrust.net

- Properties listed on City landmark and national register of Historic Places.
- Maintains tax assessment at level before renovation.
- 10 year period, 100 percent tax credit on increased value due to eligible improvements.
- 33 districts in Baltimore City.



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Incentive Application Procedures

Block Grant Application Procedure

Homeownership for Individuals with Disabilities Program

1. Buyer goes to City approved Homeownership Counseling Agency, then completes counseling and receives certificate.
2. Buyer secures agent and finds a property. He/She executes a Contract of Sale
3. Buyer takes contract of Sale to Baltimore City approved Counseling agency and has application completed for CDBG Program.
4. Buyer applies at lending institution for first mortgage.
5. Buyer comes to Office of Homeownership and reserves program funds.
6. Buyer simultaneously gets an HQS home inspection done on the property.
7. When lender completes application and provides loan commitment, good faith deposit, appraisal, HQS inspection, counseling certificate, proof of \$1,000 down payment to Office of Homeownership, the Office of Homeownership does approval and begins to process settlement check (about 8 to 10 working days).
8. When 2 party check is complete, Baltimore City contacts the title company to send courier to pick up check and closing documents for settlement.



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Incentive Application Procedures

Vacants to Value Program

1. Buyer goes to City approved Homeownership Counseling agency, receives counseling and certificate.
2. Buyer finds an eligible V2V property and executes a contract of sale.
3. If Buyer is not completely sure of property eligibility (1 year), then the buyer must contact office of Home ownership to verify or give instructions on how to verify.
4. Buyer takes contract of sale, counseling certificate and drivers license to Office of Home ownership and have V2V reservation completed for program.
5. Buyer applies at lending institution for first mortgage and gives them the lender instructions post final loan commitment.
6. Buyer comes to Office of Homeownership and reserves program funds.
7. When lender completes application and provides loan commitment, good faith estimate, appraisal, counseling certificate, proof of \$1,000 down payment to office of home ownership, office does approval and begins to process settlement check (8 to 10 working days).
8. When the 2 party check is complete, City calls the title company to send courier to pick up the check and closing documents for settlement.





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Incentive Application Procedures

Buy Into Baltimore Trolley Tour Program

The City Living Starts Here Program

*Please Note: The Trolley Tour Program and City living Starts Here Program are no longer first come, first serve programs. They are now a lottery system and the application process has changed.

1. Buyer goes to City approved Counseling Agency and get homeownership counseling and a counseling certificate.
2. Buyer attends Trolley Tour or City Living Starts Here event and gets Trolley ticket stamped after visiting 4 properties (Trolley Tour) or participates in walking tour (City Living Starts Here).
3. Buyer finds eligible Baltimore City property and signs a contract of Sale.
4. The buyer has 14 days after the day of the event to take their signed contract of sale, counseling certificate, driver's license, and stamped Trolley ticket to Live Baltimore Home Center to apply for the \$5,000 incentive. The Live Baltimore Home Center is located at 343 N. Charles St., Baltimore, Md. 21202. Buyer has the opportunity to be a recipient of the \$5,000.00 incentive by placing their case in the lottery pool.
5. On the 15th day from the event the lottery will take place at Live Baltimore Home Center. For the City Living Starts Here Program event, there will be 10 names drawn from the pool. For the Trolley Tour event, there will be 30 names drawn from the pool. There will be an extra few names drawn (5) to create a waiting list in case any of the drawn previous names do not meet their settlement obligations.
6. The drawn names and their cases will be sent to the Office of Homeownership to be processed. At this point, the administrator (Earnestine Carter) will be waiting for the final documents from the lender (Appraisal, Final signed loan commitment, Good faith estimate, proof of \$1,000 down payment).
7. Upon receiving the lenders final package of documents, there will be an approval from the Office of Homeownership and the check and documents will be processed for settlement. This process takes 8 to 10 working days from an approval of your case!

For more information and tour dates, visit: www.livebaltimore.com





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Incentive Application Procedures

Live Near Your Work Program (LNYW)

1. Buyer contacts their private employer personnel or benefits coordinator to obtain an application for the LNYW program.
2. Buyer goes to City approved Homeownership Counseling agency, get counseling and certificate.
3. Buyer finds an eligible property and executes a contract of sale.
4. Buyer applies at lending institution for first mortgage and takes contract of sale, evidence of \$1,000.00 investment and counseling certificate to employer and completes the application package.
5. Employer submits the executed LNYW application to evidence their incentive funds and the available checklist items on hand to Office of Homeownership or Buyer delivers the package to Office of Homeownership.
6. Office of Homeownership executes and returns application to employer and employee that reserves program funds.
7. Office of Homeownership communicates with lender and Buyer to submit the loan commitment, good faith estimate, 1003 application to office for final approval and issuance of the commitment letter and begin to process settlement check (8 to 10 working days).
8. Office of Homeownership informs the employer of approval to initiate their check process.
9. When the 2 party check is complete, City calls the title company to send courier to pick up the check and closing documents for settlement.



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Resources

Homeownership Counseling Agencies

Belair-Edison Housing Services
3412 Belair Road, 21213
410-485-8422 / Fax 410-485-0728
www.belair-edison.org

CHAI, Comprehensive Housing Assistance, Inc.
5809 Park Heights Ave., 21215
410-500-5308 / Fax 410-466-1996

Development Corporation of NW Baltimore
3521 W. Belvedere Avenue, 21215
410-578-7190 / Fax 410-578-7193

Druid Heights CDC
2140 McCulloh Street, 21217
410-523-1350 / Fax 410-523-1374

Garwyn Oaks (GO) Housing Northwest Housing Resource Center
2300 Garrison Blvd., Ste. 270, 21216
410-947-0084 / Fax 410-947-0087

Harbel Housing Partnership
5807 Harford Road, 21214
410-444-9152 / Fax 410-444-9181
www.harbel.org/housingPartnership.html

NHS, Neighborhood Housing Services of Baltimore
25 E. 20th Street, Ste 170, 21218
410-327-1200
www.nhsbaltimore.org
**online counseling available*

Park Heights Renaissance, Inc.
3939 Reisterstown Rd., 21215
410-664-4890 / Fax 410-664-4893
www.boldnewheights.org

Southeast CDC
3700 Eastern Avenue, 21224
410-342-3234 / Fax 410-342-1719
www.Southeastcdc.org
**online counseling available*

St. Ambrose Housing Aid Center
321 E. 25th Street
410-235-5770 / 410-366-8795
www.stambros.org
**online counseling available*

** Note: all locations marked with an asterisk provide online counseling to assist you in your home-buying process.*

**This list is subject to change at any time. Please visit the Baltimore Housing Web site at www.baltimorehousing.org for the most recent updates.*



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Homeownership Resources on the Web

www.baltimorehousing.org

The Web site of Baltimore Housing contains information about Homeownership programs, rehabilitation services, buying City houses, and a wealth of other information.

www.livebaltimore.com

The Live Baltimore Home Center's award-winning site offers information about buying in Baltimore, preferred real estate agents, homeownership incentives, neighborhood profiles, and city living events.

www.healthyneighborhoods.org

The Healthy Neighborhoods Initiative (HNI) is an effort of area foundations and the City of Baltimore to invest strategically in certain neighborhoods and target blocks within those neighborhoods. On HNI target blocks, special purchase-rehab mortgages and home improvement loans are available. In addition, city employees are eligible for an extra \$750 as part of the Baltimore City Employee Homeownership Program, bringing their total incentive from that program to \$3,750.

www.bcdfc.com

Baltimore Community Lending (formerly the Baltimore Community Development Financing Corporation) provides a variety of programs including the Vacant House Loan Program, the Single Family Construction Loan Program, and the Baltimore Homeowner Emergency Loan Program (HELP). The Vacant House Loan Program offers homebuyers, interested in purchasing a house to occupy as their primary residence in Baltimore City, financing for the acquisition, rehabilitation and closing cost that is incorporated into one loan. The Single Family Construction Loan Program offers existing Baltimore City owner-occupied homeowners the opportunity to refinance and rehabilitate their houses. The HELP Program helps households faced with foreclosure.

www.mmprogram.org

Go to the above State Department of Housing & Community Development website to receive the latest information on their first mortgage programs and mortgage incentive loans.

www.hud.gov

HUD's general Web site can lead you to many sources of information about home buying, including information about the Officer/Teacher Next Door Program and how to buy a HUD-owned vacant house.

www.fanniemae.com

Fannie Mae's Web site, in addition to a wide variety of information, maintains the updated lists of Fannie Mae approved lenders in Maryland. Consult this list for Homeownership incentives that require approved lenders.

www.freddiemac.com

Freddie Mac's Web site, in addition to a wide variety of information, maintains the updated lists of Freddie Mac approved lenders in Maryland. Consult this list for Homeownership incentives that require approved lenders.

www.fhlbatl.com

Many banks in the Baltimore area are members of the Federal Home Loan Bank of Atlanta and participate in the First-time Home buyers Program. Participating banks receive funds at the beginning of each year that can be used for closing cost assistance grants for low and moderate-income families.

www.nhsbaltimore.org

The Wells Fargo Lift Program will be administered through Neighborhood Housing Service of Baltimore. Please go to the above website to see if you qualify and to be informed of how to apply for the funds. If qualified, a homebuyer purchasing a home in Baltimore City can received up to \$15,000 in incentive money.



BALTIMORE HOUSING

Office of Homeownership
417 E. Fayette Street
Suite 1125
Baltimore, MD 21202
410-396-3124
www.baltimorehousing.org

How to Maximize Your Homebuying Experience

Enroll in and Complete a Housing Counseling Workshop

This valuable first step will help provide a strong primer for the homebuying process from start to finish. Baltimore Housing maintains a list of City-approved counseling agencies (see page 8).

Research Mortgage Options

There are many free options for researching mortgage products. Many banks have brochures and pamphlets that explain the types of mortgage products. In addition, the Internet, certified housing counseling agencies, and public libraries are great sources for information. Among the information you want to understand is: types of mortgage product options, rates and terms of these products.

Begin Loan Application Process

Most lenders will require potential mortgage borrowers to complete a loan application in order to determine information vital to ensuring loan qualification. Although many homebuyers first identify the desired home before completing the application, a best practice is getting pre-approved prior to identifying the home to determine how much one can afford. The pre-approval process requires some time commitment and as much information as the full loan application process. Pre-approval is a commitment to provide mortgage financing and all Baltimore Housing loan products require loan application information. The recommended steps for working with a lender are:

- Gather all required documents including tax forms, pay stubs, bank statements, proof of other funding sources (e.g., brokerage reports or mutual fund balances). Most lenders will provide a specific checklist.
- Prepare any questions regarding financing you have. This will help ensure that you accomplish your objective to be educated about the process and loan products.

Identify a Real Estate Agent

Any homebuyer has the option of speaking with more than one real estate agent in advance of executing any documents.

Identify a Home

Prepare a list of desires and needs for your home. Be certain to delineate between those items that are necessities and bonuses. Give thought to the other factors, including community amenities such as schools, parks, retail establishments, and proximity to preferred transportation routes.

Identify Other Professionals to Help You

Engaging a real estate attorney can be helpful (but may be an additional cost) in giving the homebuyer another set of trained resources. Free and/or reduced rate legal services in connection with a home purchase are available through the Civil Justice Network and St. Ambrose Legal Services. Research home warranties (if applicable). Engaging the services of a good home inspector can also be helpful.

Finalize the Loan Process

Contact your chosen lender to begin the process of finalizing your loan process. Collect and provide updated documents to the lender as soon as possible. This will ensure that the lender has the most up-to-date financial information and will make for a more smooth loan approval and closing process. Please keep in mind that time is of the essence as interest rates or other factors may change and impact your loan. Get a sense of the timing for a financing decision. Most lenders will be able to give a clear indication of the decision turnaround time as well as provide details about your application or types of loan products. Your lender will be able to provide you with a good faith estimate, itemizing the various fees and costs and the amounts due at closing.



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Office of Homeownership Policies and Procedures

Down Payment Requirements

In order to secure funding from any of our Homeownership programs, the borrower must contribute a minimum of \$1,000 towards the purchase of a home in Baltimore City.

One-on-One Homeownership Counseling Requirement

In order to secure funding from any of our Homeownership programs, the borrower must receive One-on-One Homeownership Counseling from a City-approved counseling agency (see page 11). The borrower must also secure a Homeownership Counseling Certificate prior to executing a sales contract.

Home Inspection Requirement

In order to secure funding from any of our Homeownership programs, the borrower must provide a satisfactory home inspection from a licensed home inspection company. The home inspection company must be a member of either or both the National Association of Home Inspectors and/or the American Society of Home Inspectors.

In addition, homes built before 1978 must have a lead based paint assessment completed prior to closing. If there is chipped, peeling, flaking or otherwise deteriorating paint, it must be tested for lead based paint, and if necessary, abated prior to closing. Borrower must ensure that an Inspector certified to conduct Lead Paint Abatement inspection has completed the lead abatement inspection and a copy of the certificate must be provided to the Office of Homeownership prior to closing. Buyers should receive the SELLER LEAD BASED PAINT DISCLOSURE AND EPA PAMPHLET from the housing counseling agency when evaluating the merits of a house.

Qualified Lenders

Co-signers, cash sales and owner financing are prohibited. Further, short sales and foreclosure sales are prohibited unless the buyer has a signed final loan commitment from a lender. We strongly urge that you secure a mortgage loan from a Fannie Mae or Freddie Mac approved lending institution. If you should choose to use a mortgage broker, your mortgage broker must adhere to our written policy. Lenders must provide a good faith estimate to the borrower that includes: 1) any points, fees, or other charges; 2) any mortgage insurance fees; and 3) any monthly escrow amounts required for property taxes and homeowner's insurance. More specifically, lenders must not charge in excess of three (3) points—one (1) point for the origination fee and two (2) points for the mortgage interest rate discount. Lenders must charge only the actual fee incurred by the lender for obtaining the credit report and appraisal and any other documents and services required as part of the mortgage transaction. Lenders must adhere to the disclosure requirements of the Fair Credit Reporting Act as most recently amended.

Ineligible First Mortgage Finance Products

In order to secure funding from any of our Homeownership programs, the **borrower may not utilize** any of the following first mortgage products: 1) no documentation loan; 2) interest only loan; 3) conventional 80/20 loan; 4) adjustable rate loan. Any loans for which prepayment penalties or fees are applicable, or will be assessed, are not eligible for use with Baltimore Housing homeownership programs.

Refinancing and Release Policy

In order to secure funding from any of our Homeownership programs, the borrower must execute a Baltimore Housing Refinancing and Release Policy (see page 15).

Please Note: These policies may change subject to the discretion of the City's Office of Homeownership. Additional restrictions may be required for individual homeownership incentive programs. Refinancing within 5 years may require repayment of forgivable loans provided through Baltimore City homeownership programs.

Baltimore Housing Refinancing & Release Policy

Some homeowners with UDAG, NAC, CDBG, and City 2nd Mortgage Loans for Buying Into Baltimore trolley tours and City employee grants or Direct Homeownership Assistance grants and including rehabilitation loans may have relatively high interest rates on their first mortgages. The Financial Review Committee has received a number of recent requests to allow the homeowners to refinance the existing first mortgages for a lower interest rate, shorter term and/or lower monthly payment. Because of the variations in the homeowner requests, it has been determined that a policy governing such refinancing should be developed by the Committee with concurrence by the Deputy Commissioner and approval by the City Board of Estimates. (Approved March 1, 2004)

The following are the guidelines established by the Committee, which must be met for approval:

1. The purpose of the request must be to obtain a lower interest rate and/or term in order to reduce principal and interest payments on the first mortgage.
2. The City lien must be current. Any account 60 days in arrears will not be considered for subordination. Modified/recast loans will be considered for subordination six (6) months after the loan modification is signed.
3. The homeowner shall not receive any proceeds from the refinancing.
4. The homeowner may include within the amount of the first mortgage refinanced the legal and related costs incurred in conjunction with the refinancing. However, if total settlement charges, points and fees exceed 10 percent of the balance of the existing first mortgage loan, the homeowner must pay off the City loan. On a case-by-case basis, the Committee may consider extenuating circumstances and will make a recommendation to the Deputy Commissioner for approval.
5. If the principal balance of the existing first mortgage is more than initially borrowed at settlement (i.e., there has been negative amortization), the original principal balance will be used in calculating the net proceeds of sale.
6. The property value should be equal to or more than the sum of all existing and proposed liens against the property (established by an independent appraisal).
7. The homeowner may be required to pay a \$100 legal fee to the title attorney to cover the cost of preparing the Subordination Agreement as well as the cost of recording that document.
8. If additional debts are included in the proposed (refinanced) first mortgage, a minimum of 10 percent of those debts is required as a non-refundable partial prepayment of the city loan.
9. Any request for payoff that is not accompanied by a contract of sale will be considered a refinance. In this case, the homeowner must personally request the payoff/release with explanation and review the documents submitted in his behalf by the lender or title company to the Financial Review Committee.
10. A City-processing fee of \$75 shall be charged to the homeowner for each request for the execution of subordination agreements, releases of note/mortgage, or deed of trust or promissory. With respect to the releases, the Legal Department will determine the appropriate amount for releases, but the amount will not be in excess of \$75. Either the City for the Office of Rehabilitation notes or the title company will prepare the actual agreements and releases for processing and execution. Said processing fee in the form of a money order or certified check shall be made payable to:

The Director of Finance c/o:

**Department of Housing and Community Development,
Office of Rehabilitation, Suite 1125,
417 E. Fayette Street, Baltimore, MD 21202**

Acknowledgement by homeowner

Date