

Intro to First Time Homebuyer Programs

By: Tom Draper

First Home Mortgage



Overview



- ▶ The 3 most commonly used First Time Home Buyer Programs are the Down Payment Assistance (DPA) program, the Grant Assist programs, and the Preferred Rate Program.



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Who is considered a First Time Homebuyer?



- ▶ Anybody who has not had an ownership in a property the last THREE years

OR

- ▶ If you are buying in a TARGETED area. Dorchester, Caroline, and Kent counties are all considered targeted areas. MEANING... you can be selling your home and as long as you are looking to buy in these counties you are eligible to use these programs.



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Down Payment Assistance Program (DPA)



- ▶ This is a **\$5,000** loan to help pay for down payment and closing costs.
- ▶ It is essentially an interest free loan. It must be paid back once the borrower sells the home or refinances.



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Grant Assist Program



- ▶ This is a 4% GRANT that helps pay for closing costs and down Payment.
- ▶ You receive 4% of the LOAN AMOUNT for down payment and closing cost.
- ▶ Since it is a grant it doesn't have to be paid back.



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Maryland Mortgage Program Preferred Rate



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- ▶ This is a loan program that allows for a “preferred rate”. This means that you get a much lower interest rate.



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Other Things to Note



- ▶ Borrowers must take an online home counseling class. (Free)
- ▶ Income and Purchase Price limits depending on county. Dorchester County's income limits are \$145,560
- ▶ Property must be in good condition
- ▶ Cannot have more than 20% of the purchase price in liquid assets.
- ▶ MINIMUM 640 Credit score.



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Overview



- ▶ First Time Home Buyer programs are a GREAT way to get into your dream home for very little money out of pocket OR get a great interest rate.
- ▶ Contact me today at 443-786-9887 to inquire about how these programs can help you achieve your dreams of buying a home!



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