



HOUSE KEYS 4 ST. MARY'S COUNTY PROGRAM (HK4SMC)

Q. What is House Keys 4 Employees (HK4E)?

HK4E is an employer partnership program to help Maryland's workforce become homeowners through a creative match program with the State of Maryland. The program is managed and administered by the Maryland Department of Housing and Community Development (DHCD). HK4E enables eligible first time homebuyers to receive down payment and/or closing cost assistance.

Q. What is the House Keys 4 St. Mary's County Program (HK4SMCP)?

HK4SMCP is a St. Mary's County Government Homeownership and Mortgage Assistance Program, matched by the state, to enable eligible St. Mary's County employees to receive additional down payment and/or closing cost assistance on the purchase of a home in St. Mary's County.

Q. How does HK4SMC Work?

St. Mary's County Government will provide a financial contribution of \$5,000 toward the closing and down payment costs for eligible St. Mary's County employees. Funding is available as authorized by the Board of County Commissioners. The St. Mary's County financial contribution will be given in the form of a grant with the condition of repayment if borrower a) leaves eligible employment within five years of assistance provided or b) does not meet the service credit requirement for two consecutive years as a Fire, Rescue or ALS Volunteer within the five year assistance provided.

DHCD will then match up to \$5,000 in state funds. The DHCD match is in the form of a 0% deferred loan that is repayable at the time of payoff or refinance, or upon the sale or transfer of the house. DHCD also offers these standard downpayment and closing cost assistance programs: MMP+ 2%; MMP+ 3% Program; or a DSELP loan if you are buying a home with a purchase price of \$200,000.

Q. How does HK4E and HK4SMC help when I am purchasing a home?

Borrowers who select a DSELP loan can receive up to an additional \$5,000 from House Keys 4 Employees (based on dollar-for-dollar matching contributions) to add to the \$2,500 currently available under the DSELP program.

Borrowers who select an MMP-Plus grant can receive up to an additional \$5,000 from House Keys 4 Employees (based on dollar-for-dollar matching contributions) to add to the 2% closing cost assistance program.

DSELP Program (only for borrowers who are buying a house with a purchase price of \$200,000 or less)

Example 1: St. Mary's County Govt. contribution = \$5,000

- DSELP Loan.....\$2,500
- St. Mary's County Govt. Contribution.....\$5,000
- House Keys 4 Employees (State) Match.....\$5,000

Total closing cost assistance **\$12,500**

Closing Cost Grant Assistance Products (using MMP+2%, based on a mortgage amount of \$250,000)

Example 2: St. Mary's County Govt. contribution = \$5,000

- MMP+2% grant.....\$5,000
- St. Mary's County Govt. Contribution... ..\$5,000
- House Keys 4 Employees (State) Match\$5,000

Total closing cost assistance **\$15,000**

Q. Who Qualifies for HK4SMCP?

Any borrower who receives a contribution for down payment and or closing cost assistance from St. Mary's County Government and that meets the eligibility criteria under the Maryland Mortgage Program (MMP).

To be eligible for HK4SMCP one must be:

- Employed full-time by one of the following employers: St. Mary's County Commissioners, St. Mary's County Library Board of Trustees, St. Mary's County Board of Education, or
- A Fire, Rescue or Advanced Life Support (ALS) volunteer who has qualified in the prior year for credited service, as defined for purposes for the Length of Service Awards Program (LOSAP)
- Must be a first-time homebuyer or have not owned home for at least 3 years.
- Must meet the income and purchase price limits. Refer to the Income and Purchase Price Limits sheet in your packet.
- Must participate in Homeownership Counseling, prior to settlement.

Q. To establish eligibility answer YES to the following:

- 1) Have you completed the probationary period or if no probationary period exists, have you been employed more than six (6) months with the eligible County employer?
OR
Are you an active Fire, Rescue or ALS Volunteer who has qualified in the prior year for credit services as defined for purposes for the Length of Service Awards Program (LOSAP)?
- 2) Are you eligible to receive a Maryland Mortgage Program (MMP) Loan?

- 3) Are you able to repay the County financial contribution if you a) leave eligible employment within five years of assistance provided or b) do not meet the service credit requirement for two consecutive years as a Fire, Rescue or ALS Volunteer within the five year assistance provided?

Q. Steps to Participate in HK4SMCP

Step 1

Contact St. Mary's County Department of Human Resources for the following:

- ✓ Confirm that funding is available.
- ✓ Complete Part I of the "Verification of Partner Contribution" form.
- ✓ HR will sign Part II of the Verification of Partner Contribution" form.
- ✓ Sign House Keys for SMC Program Agreement form.

Step 2

Review the borrower section on the DHCD website, www.morehouse4less.com, and:

- ✓ Obtain a list of CDA-approved participating lenders.
- ✓ Select a participating lender and make an appointment to pre-qualify for a CDA mortgage loan.
- ✓ Schedule time to complete homeownership counseling prior to settlement.

Step 3

- ✓ Qualify for a MMP (Maryland Mortgage Program) Loan.
- ✓ Provide lender with the original of the fully completed and executed "Verification of Partner Contribution" form.
- ✓ Keep a copy of "Verification of Partner Contribution" form for your records.

Step 4

Contact Housing Authority of St. Mary's County (HASMC) for the following:

- ✓ Provide HASMC with copy of completed and executed "Verification of Partner Contribution" form. Also, copy of certification for completion of homeownership counseling.
- ✓ Coordinate with HASMC and CDA lender to ensure that County's contribution is made available at the settlement of your MMP loan.

Q. Local Program Contact Information

Cynthia DellaGatta, Economic Development Coordinator, St. Mary's County Department of Economic & Community Development
Phone: 301-475-4200 x1408
Email: decdd@stmarysmd.com

Where Can You Get Additional Information?

Local Program Contact

Visit www.stmarysmd.com/decdd and click on the **House & Key** icon, or call Cynthia DellaGatta, Economic Development Coordinator at 301-475-4200 x1408

Questions for St. Mary's County Human Resources Department

Sue Sabo, Director, St. Mary's County Human Resources Department at 301-475-4200 x1100

Questions for Housing Authority of St. Mary's County

Sandy Johnson or Emily McNamara, Housing Authority of St. Mary's County at 301-475-7844 x1433 or x1424

Questions and Information for DHCD HK4E program regarding MMP, including a list of CDA-approved participating lenders

Visit www.morehouse4less.com or call 1-800-638-7781

Homeownership Counseling Agencies

Mortgage Guaranty Insurance Corporation (MGIC) online Homeownership Certification Program is available at www.mgichome.com/ or for specific questions call 1-800-424-6442. Or, for local onsite workshop schedule contact Southern Maryland Tri-County Community Action Committee, Inc. in Hughesville, MD at 301-274-4474 x262.



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