



January 23, 2012

MORTGAGE PURCHASE PROGRAM

**LOW INTEREST RATES
FIRST TRUST MORTGAGES
~For First Time Home Buyers~**

RATE CHANGE - EFFECTIVE October 7, 2011

30 YEAR FIXED RATE with ZERO POINTS

Option 1

***** 3.625% *****

APR 3.758%

Without Purchase Assistance

Option 2

***** 4.0% *****

APR 4.136%

**with 3% of Sales Price
PURCHASE ASSISTANCE**

for Downpayment and Closing Costs

Deferred Loan with 0% Interest Rate

DO NOT HAVE TO WORK IN MONTGOMERY COUNTY

Only FHA Financing Available

Loan rates and terms are subject to change.

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MAXIMUM SALES PRICE

\$429,619

Existing and New Construction

**MONTGOMERY COUNTY
PROPERTIES ONLY**

NEW

MAXIMUM INCOME LIMITS

Household Size

One person: \$ 89,160

Two persons: \$ 127,320

Three or more: \$148,540

FOR MORE INFORMATION CALL a HOC Participating Lender or call 240-773-9200. All rates, sales price and incomes are effective October 7, 2011. Loan rates and terms are subject to change. Other conditions may apply. Visit our website at: www.hocmc.org click on HomeOwnership Programs.

STEPS TO GETTING FINANCING FOR A HOME WITH HOC INTEREST RATES

- **MUST complete homeownership education classes/counseling before funds can be reserved for any financing options.** Free classes available through Housing & Community Initiatives, Inc. (schedule enclosed) or visit www.hcii.org.
- **There is no application to be filled out with HOC, the lender will provide all the necessary forms.**

1. Getting preapproved/prequalified for an HOC Mortgage.

Contact one of the participating lenders on the list or a Realtor. This will help you determine how much you can afford to pay for a home and whether or not you have credit problems. There may be a fee associated with getting preapproved. The lender will generally provide you with a letter stating how much you are qualified for. The participating lenders are the only lenders with access to HOC First Trust Mortgage financing.

2. Finding a Property.

Work with a Realtor, or you may prefer to work directly with the owner or builder to find a home in Montgomery County that falls within the amount affordable to you as a result of getting preapproved or prequalified by a participating lender. Sales price limits on front.

Place a sales contract on the home you wish to purchase. Terms and conditions related to this loan can be included in the sales contract based on the advice of your Realtor and lender. The sales contract must be signed by the buyer and the seller (ratified contract).

3. Completing a Loan Application with the Lender.

Take your ratified sales contract back to the participating lender that has preapproved or prequalified you to complete the loan application process. Funds for your loan will be reserved by the lender at this time with HOC. Keep in mind that the entire loan approval process often takes 30 to 45 days.

4. HOME INSPECTIONS REQUIRED ON ALL EXISTING PROPERTIES.

Participating Lenders

LIST OF PARTICIPATING MORTGAGE COMPANIES ENCLOSED. When calling please let the mortgage company know that you are calling in reference to the Housing Opportunities Commission's first trust mortgage programs. If a contact name is not listed, have the mortgage office refer you to a loan officer that is involved in the HOC financing program.

FREE CREDIT REPORT

DID YOU KNOW? You have the right to get a FREE COPY of your credit file disclosure, commonly called a credit report, once every 12 months, from each of the nationwide consumer credit reporting companies – EQUIFAX, EXPERIAN and TRANSUNION. For instant access to your FREE CREDIT REPORT, visit www.annualcreditreport.com or call 877-322-8228.

Terms and Conditions of the HOC Loan

- HOC sells tax-exempt bonds to provide funds for these low-interest loans. The Federal Government and the Commission place some restrictions on how these funds can be used.
- The buyer cannot have owned or co-owned any residential property during the previous three years.
- As long as HOC holds the mortgage, the property must be owner-occupied. The property cannot be rented without HOC's permission. It may not be left vacant.
- No more than 15% of the home can be used in a trade or business.
- Only FHA loans are assumable to other eligible borrowers. However, they must be qualified under the same bond requirements.
- The buyer cannot have someone co-sign the loan.
- If the home is sold within nine years after purchase, the owner may be required to pay a recapture tax to the federal government.
- Required to get a Home Inspection on all resale properties.