

# OPEN THE DOOR TO YOUR OWN HOME with the

## MONTGOMERY COUNTY CLOSING COST ASSISTANCE LOAN

### "5 for 5"



**5%** Closing Cost Assistance up to \$10,000  
for **5%** Interest Rate (5.21% APR)

Available through The Housing Opportunities Commission of Montgomery County first-time home buyers who lack funds to pay real estate closing costs may qualify for the closing cost loan.

#### To Be Eligible:

- At least **ONE borrower** must be **working in Montgomery County**.
- Must be a first time home buyer. May not have owned or co-owned any residential property in the past 3 years. **Three years of tax returns needed**.
- Buy a home costing no more than **\$429,619**.
- Total household income does not exceed current limits (see below).
- **MUST BE USED** with the HOC First Trust Mortgage Purchase Program.
- All HOC first mortgage interest rates can be used.
- **BORROWER MUST USE A HOC PARTICIPATING LENDER (see list)**.

#### Criteria:

- Maximum loan amount is **5% of the sales price not to exceed \$10,000**.
- Can be used to cover down payment, closing costs, escrows, or other prepaid expenses.
- May not be used along with any other closing cost assistance loan (such as Nehemiah, AmeriDream).
- Current Maximum Sale Price is **\$429,619** - ALL Properties.
- Current Maximum Income Limits:

One person household	\$ 86,268**
Two person	\$ 123,240**
Three or more:	\$ 143,780**
- **MUST ATTEND** "Home Ownership Education Classes". A schedule of classes is enclosed or visit [www.hcii.org](http://www.hcii.org) other certified homebuyers education classes are acceptable.
- CONTACT an HOC participating lender (see list) to begin the process. These are the only lenders who can reserve the closing cost assistance funds.
- Before funds can be reserved you must have a ratified contract on a property.
- Funds are reserved for sixty days.
- **HOC REQUIRES THE APPLICANT TO HAVE A HOME INSPECTION PRIOR TO LOAN APPROVAL.**
- **FIRST COME, FIRST SERVED – NO WAITING LIST.**

#### Terms:

- **A secured second mortgage loan. The loan term is 5% interest rate for 10 years.**
- Monthly payments will be through automatic deductions from checking or savings account.
- **An application fee of \$100.00 will be assessed at settlement.**
- Cannot be used to pay off debts.
- The loan is due at time of sale or refinance of property.
- There is no "prepayment penalty".
- The property must be owner occupied and remain owner occupied while the loan is outstanding.
- Cosigners are not allowed. A cosigner is a person who signs the documents but will not occupy the property.

FOR MORE INFORMATION CALL 240-773-9200. Loan rates and terms are subject to change. Other conditions may apply. Visit our website at: [www.hocmc.org](http://www.hocmc.org) click on Homeownership Programs. \*\*Income Limit Changes 05-06-09 \*\*Program changes 7-1-09