

Homeownership Equity Program FIRST TIME HOMEBUYER KIT

LOAN AMOUNT: Max \$30,000.00

INCOME ELIGIBILITY: Up to 120% Area Median Income (AMI)

ELIGIBLE PROPERTIES:

- ✓ Any residential property including
- ✓ Resales
- ✓ Foreclosures
- ✓ Short Sales
- ✓ New Construction

MUST BE LOCATED INSIDE THE I-495 BELTWAY

LOAN TERMS: 0% interest, deferred payment, Purchaser must pay back the loan in full when the home is sold, transferred, or ceases to be the primary residence of the buyer(s) within the 5-year affordability period.

LOAN FORGIVEN AFTER 5 YEARS

RATIO REQUIREMENTS

35% FRONT END

47% BACK END

GETTING STARTED

Approved Participating Lenders are responsible for submitting applications for down payment and closing cost assistance to the HOMEOWNERSHIP EQUITY PROGRAM.



You must have an executed sales contract and a conditional 1st trust loan approval before your lender can apply for the HOMEOWNERSHIP EQUITY PROGRAM assistance. The Program requires that you complete a minimum 8-hour housing counseling course provided by a HUD certified housing counseling agency. List of certified housing agencies are on our website.

Do not contact the Prince George's County Department of Housing and Community Development for an application.

Follow these steps if you are interested in the Program:

1. Contact a **Participating Lender** (approved Participating Lender list available on our website) to get pre-approved for a first mortgage only. This pre-approval comes after a review of your credit and income, generally provides a benchmark amount of what the bank will lend you to purchase a house and is subject to final underwriting and approval.
2. Contact your real estate agent to identify properties in Prince George's County inside of the I-495 Beltway.
3. Attend an in classroom 8-hour housing counseling course provided by a HUD Certified Housing Counseling Agency. **Online courses will be accepted.** Download a list of HUD approved counseling agencies from the website:

<https://www.princegeorgescountymd.gov/departments-offices/housing-community-development>.

4. When you have successfully negotiated and ratified a contract to purchase a residential property, contact the Participating Lender who pre-approved you so they can submit your file to underwriting. The Participating Lender must obtain a conditional approval for your 1st trust loan before the lender can submit your application to the **Prince George's County Department of Housing and Community Development (DHCD)**.
5. Monitor processing time of your application by the Participating Lender. **DHCD** will not accept an application from a Participating Lender unless there are at least **21 BUSINESS DAYS (NOT INCLUDING FEDERAL HOLIDAYS)** remaining on the contract term or an amendment in place extending the contract.

9200 Basil Court, Suite 306, Largo, Maryland 20774 | 301.883.6511 | Maryland Relay 711 | hcd.mypgc.us



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6. Work with your lender and real estate agent to complete your loan package and address underwriting issues necessary to receive approval for the first mortgage and submittal of your application.

PROVIDE ALL REQUESTED INFORMATION TO THE PARTICIPATING LENDER, REALTOR, TITLE COMPANY IN A TIMELY MANNER.

PLEASE NOTE THAT A PARTICIPATING LENDER CANNOT APPROVE YOU FOR THE HOMEOWNERSHIP EQUITY PROGRAM. A PRE-APPROVAL FOR A FIRST TRUST MORTGAGE BY A PARTICIPATING LENDER DOES NOT GUARANTEE APPROVAL OF YOUR APPLICATION FOR A HOMEOWNERSHIP EQUITY PROGRAM LOAN.

**Prince George's County
Homebuyer Assistance Programs
Program Income Limits
Based on Area Median Income (AMI) Limits**

	Pathway to Purchase Program	Homeownership Equity Program and Critical Workforce Housing Homebuying Assistance Program
Household Size	Income NOT to exceed 80% AMI	Income NOT to exceed 120% AMI
1	\$93,050	\$139,500
2	\$106,350	\$159,450
3	\$119,650	\$179,400
4	\$132,900	\$199,300
5	\$143,550	\$215,250
6	\$154,200	\$231,200
7	\$164,800	\$247,150
8	\$175,450	\$263,100

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