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## **FREDERICK COUNTY HOMEBUYER ASSISTANCE PROGRAM**

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### **Program Overview**

The Frederick County Homebuyer Assistance Program (HAP) is administered by the Frederick County Department of Housing and Community Development (DHCD) and helps local families with limited resources purchase their first home, by providing down payment/closing cost assistance. HAP provides zero percent deferred loans that are due upon the sale, transfer or if the home is no longer the primary residence of the borrower. Other homebuyer assistance programs may be used in conjunction with this program to lower the cost of the home.

### **Eligibility Requirements**

1. First time homebuyer(s)
2. Applicants must currently live or work in Frederick County;
3. Total gross income at or below 80% of the Washington MSA median household income limit established by the U.S. Department of Housing and Urban Development, adjusted for household size and automatically adjusted annually when the income limits are published in the Federal Register; a household consists of all the people who will occupy a housing unit;
4. Purchase a home in Frederick County;
5. Completion of first time homebuyer education from a HUD approved Housing Counseling Agency. If purchasing outside of Frederick City limits, an additional 3 hour class will be required to obtain an 8 hour CDBG certificate. [Frederick Community Action Agency](#) conducts this education; call 301-600-1506 for schedule information;
6. Be approved for a minimum 30 year fixed rate mortgage;
7. Occupy the Frederick County home as their primary residence;
8. Applicants will be required to put a minimum of \$500 of their own funds toward the purchase of the home;
9. Purchase a one year home warranty and a home inspection by a licensed inspector, prior to closing. A lead inspection of properties built before 1978 must be done by a certified lead abatement inspector, to insure that there is no peeling, flaking, chipping paint inside or outside the property. If there is chipped, peeling, flaking or otherwise deteriorating paint, it must be tested for lead based paint, and if necessary, abated prior to closing. Borrower must ensure that an Inspector certified to conduct Lead Paint Abatement inspection has completed the lead abatement inspection and a copy of the certificate must be provided to DHCD prior to closing.
10. Co-signors are not permitted, as all applicants must occupy the home.

## **Eligible Types of Housing**

Eligible properties include both existing homes and new construction. Unit types are single family, one-unit residence, including townhouses, detached or semi-detached homes, condominium units, and modular or manufactured homes with the State seal of approval for code compliance.

## **Application Process**

**The applicant must have a ratified sales contract before submitting an application. Applications are submitted on behalf of the homebuyer by the first lender and will be underwritten by DHCD staff on a first come first served basis for compliance with the program criteria. Once approved by DHCD staff, a commitment letter will be issued to the homebuyer with a copy to the Lender. Applications may be obtained by calling 301-600-6647 or online at the [Homebuyer Programs webpage](#).**

## **Loan Amount**

The maximum loan amount for applicants earning 51%-80% AMI is \$8,000. Applicants earning 50% AMI or less may be eligible for \$10,000 based on funding availability. Loans are 0% interest and deferred; no monthly payments are required.

## **Loan Security**

If approved, the homebuyer will sign documents securing the loan with a lien on the property recorded in the land records of Frederick County. Signing of the documents and funding of the loan will occur at the time of the home purchase settlement. Lien documents shall require repayment upon the sale, refinance or transfer of title to the property; or when the home is no longer the primary residence of the borrower(s). **Settlement must be conducted by a Title Company with an office in Frederick County.**

## **Administration and Appeal**

An applicant may appeal any decision to the Director of the Citizens Services Division by filing a written request for review within ten days of receiving a denial letter. Applicants may write to Director of the Citizens Services Division, c/o Housing and Community Development, 401 Sagner Avenue, Frederick, Maryland 21701. The Director shall conduct the review and reply to the applicant within ten business days of receipt of the appeal letter.

## **For More Information**

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