



FREDERICK COUNTY HOMEBUYER ASSISTANCE PROGRAM

Program Overview

The Frederick County Department of Housing and Community Development (DHCD) administers the Frederick County Homebuyer Assistance Program (HAP) which helps local families with limited resources by providing down payment/closing cost assistance to assist with the purchase of their first home. The HAP provides zero percent deferred loans that are due upon the sale, transfer, or once the home is no longer the primary residence of the borrower. No monthly payments are required.

Applicant Eligibility Requirements

1. First time homebuyer(s);
2. Currently live and/or work in Frederick County;
3. Total gross household 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 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. [Frederick Community Action Agency](#) locally conducts this education; call 301-600-6206 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. 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.
10. Engage a Maryland Certified/Accredited Lead Paint Inspector to conduct a lead paint risk assessment of the property if it was built before 1978. Applicant must ensure that the Inspector has completed the lead inspection and a copy of the results provided to DHCD prior to loan approval.
11. 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. Lenders submit the application with supporting documentation to DHCD on behalf of the homebuyer and DHCD staff will underwrite applications on a first come first served basis for compliance with the program criteria. Once approved by DHCD staff, a commitment letter is issued to the homebuyer with a copy to the Lender. Applications are online at the Homebuyer Programs [webpage](#). Allow 21 days for processing, approval and settlement of a complete loan application package.

Loan Amount

The 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 sale or transfer of the property or if the home is no longer the primary residence of the borrower(s). **A Title Company with an office in Frederick County must conduct settlement.**

Administration and Appeal

An applicant may appeal any decision to the Director of Housing and Community Development by filing a written request for review within ten days of receiving a denial letter. Applicants may write to the Director 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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