



Maryland Department of Housing and  
Community Development

Group Home Financing Program  
Homeownership for Individuals with Disabilities  
Program (HIDP)

Presented by: Duane Felix  
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Maryland Department of Housing and  
Community Development (DHCD)

- **Mission** - The Maryland Department of Housing and Community Development works with partners to finance housing opportunities and revitalize great places for Maryland citizens to live, work and prosper.
- **Vision** - All Maryland citizens will have the opportunity to live and prosper in affordable, desirable and secure housing in thriving communities.



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Group Home Financing Program

- Program to provide loans to sponsors / group home providers to finance the costs of acquiring, constructing and modifying buildings which will provide group homes or assisted living units for low-income, disabled and other citizens of the State with special housing needs



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### Eligible Sponsors

- Nonprofit organization
- Individual
- Licensed to own and operate a group home in Maryland
- Must be in good standing and qualified to conduct business in Maryland
- 2 years of experience at managing a group home project



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### Borrower Equity

- Nonprofit sponsors must contribute 5% of total project costs towards the project
- Individual sponsors must contribute 10% of total project costs towards the project



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### Credit

- Dunn and Bradstreet report
- No unsatisfied state or federal tax liens
- No open judgments, lawsuits or bankruptcy
- No past due accounts



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### Eligible Residents

- Individuals with disabilities or special housing needs
  - Developmentally or mentally disabled
  - Physically or mentally handicapped
  - Elderly
  - Juveniles
  - Income must not exceed 60% area median income



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### Source of Loan Funds

- SHOP – Special Housing Opportunities Program
- GHFP – Group Home Financing Program



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### Special Housing Opportunities Program (SHOP) Loan

- Bonds funds, funded by tax exempt 501 (c) (3) bonds issued by CDA
- Fixed 30 year term
- Current interest rate – 5.11%



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### Group Home Financing Program (GHFP) Loan

- State funds which are funded annually by State appropriations
- Fixed 30 year term
- Interest rates vary 0% to 7%



Can lend up to 100% of the appraised value

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### Eligible Projects

- Acquisition
- Acquisition and Rehab
- Refinance mortgages of existing group homes



Single family dwelling

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### St. Mary's County Project



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### St. Mary's County Project



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### Bathroom Renovations



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### Baltimore County Project



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### Subject Streets





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### Maximum Loan Amounts

Allegany County	289,470	Hartford County	525,091
Anne Arundel County	525,091	Howard County	429,620
Baltimore City	525,091	Keel County	359,796
Baltimore County	525,091	Montgomery County	429,620
Calvert County	429,620	Prince George's County	525,091
Caroline County	289,470	Queen Anne's County	429,620
Carril County	429,620	Somerset County	351,692
Cecil County	346,601	St. Mary's County	343,125
Charles County	429,620	Talbot County	334,125
Charles County	429,620	Washington County	403,155
Dorchester County	289,470	Wicomico County	351,692
Frederick County	525,091	Worcester County	467,232
Garrett County	467,232		



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### Loan Process

- 1) Application review
  - Eligibility Determination , Appraisal, Credit Report, Financials
- 2) Site Visit
  - Appraisal review, Home inspection report
- 3) Presentation to loan committees
  - Pre-HFRC, HFRC, Commitment Letters
- 4) Legal review of documents
  - Title Insurance, Property Insurance, Corporate Resolutions, Tax Questionnaire, etc.
- 5) Closing



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## Group Home Financing Program

### Questions - Contact:

Duane Felix      felix@dhcd.state.md.us      410-514-7460

Website – <http://www.dhcd.maryland.gov/website/programs/ghp/Default.aspx>



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## Homeownership for Individuals with Disabilities Program (HIDP)



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## What is the Housing for Individuals with Disabilities Program (HIDP)?

- Program provided by the Maryland Department of Housing and Community Development to assist disabled individuals or parents of a disabled individual purchase a home
- One of the borrowers or a son or daughter of one of the borrowers must have a physical or mental impairment that substantially limits one or more major life activities.
- Immediate family member of one of the borrowers that the borrower is guardian for must have a physical or mental impairment that substantially limits one or more major life activities



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## Eligible Borrowers

- Certificate of Disability completed by a health, mental health, or disability professional is required
- Must be a first-time homebuyer unless buying in a targeted area or a veteran and exercising one-time exemption to first-time homebuyer requirement



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## Counseling Requirements

### Homebuyer Education is Required

- Eight (8) hours of homebuyer education is required from a HUD-approved housing counseling agency
- Homeownership counseling certificate required by all borrowers prior to execution of a contract of sale for the property
- Counseling certificates must not be more than one year old at the time of closing



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## Interest Rate

- 1.75% - 3.75%
  - Based on borrower qualifying at 30% housing expense ratio and 38% total debt ratio



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### Ratios

- Front end – 30%
  - Monthly housing expenses to income ratio
  
- Back end – 38%
  - Monthly housing expenses plus long term debt to income ratio
  
- Exception to ratios based on at least two strong compensation factors



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### Credit

- Minimum credit score – 620
  
- Satisfactory credit history required
  - Unpaid medical accounts okay up to \$1,000
  
- Applicants must have established an acceptable credit rating for at least one year from the date of the release of a judgment or collection account



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### HIDP Program Facts

- Minimum Contribution - \$500
- Term – 30 Years
- Homebuyer Inspection
- Processing Fee - \$1,000
- Mortgage Insurance Not Required
- LTV – 105%



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**Maximum Purchase Price**

- \$289,470 – Allegany County, Caroline and Dorchester
- \$287,257 – Non-targeted areas of Wicomico County
- \$300,000 – Remainder of State



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**Maximum Current Annual Household Income**

- \$106,100 – (Calvert, Charles, Frederick, Montgomery and Prince George’s County)
- \$89,400 – St. Mary’s County
- \$88,100 – All other areas of the State



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**Homeownership for Individuals with Disabilities Program (HIDP)**

- Questions – Contact:

Astrid Donis [donis@mdhousing.org](mailto:donis@mdhousing.org) 410-514-7520

Website - <http://www.dhcd.maryland.gov/website/programs/hidp/Default.aspx>



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