

# **\$5,000 Buying Into Baltimore Incentive**

## **Terms & Conditions**

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The \$5,000 Buying Into Baltimore incentive is a five-year forgivable loan that appears as a second lien on a property. The lien balance will reduce by 20% per year for five years until forgiven (or repaid). Properties sold or rented before the forgiveness date (year five) will be charged the remaining balance of the lien. Upon refinancing, the balance of the lien can be subordinated.

The \$5,000 Buying Into Baltimore incentive is awarded by lottery 10 business days after Live Baltimore's Trolley Tour event. Thirty homebuyers will be selected to receive funds from a pool of eligible applicants.

### **Lottery Eligibility and Application:**

- Homebuyers must attend and complete requirements of Live Baltimore's Trolley Tour event.
- Contracts may not be signed prior to the Trolley Tour event date.
- Following the Trolley Tour event, incentive applicants have 10 business days to make an offer on a home, have the offer accepted, obtain a contract of sale, and submit required paperwork to become eligible for the \$5,000 Buying Into Baltimore incentive lottery drawing.

### **Rules, Requirements, and Restrictions:**

- Incentive recipients must earn a Homeownership Counseling Certificate from a City-approved counseling agency prior to making an offer on a home.
- Incentive recipients must invest at least \$1,000 toward their home purchase (via earnest money deposit, credit report fee, inspection fee, appraisal fee, or other investment).
- Incentive recipients' mortgage amounts cannot exceed the current FHA mortgage limit of \$517,500 for a single-family home. (Limits vary for multi-family homes.)
- Homes must be owner-occupied throughout the five-year forgivable loan term.
- Incentive recipients must follow application guidelines and confirm eligibility prior to settlement. Funds cannot be issued after settlement.
- Incentive recipients must provide evidence of mortgage financing from an accredited lending institution.
- Fixed-rate mortgages only. Co-signers, cash sales, and owner-financing are not permitted.
- Homes that have not yet been constructed are ineligible.
- Incentive recipients must go to settlement within 60 days of being selected in the lottery drawing.
- Due to settlement date requirements, short sales, foreclosures, and other non-traditional transactions may be ineligible.
- Incentive funds may be combined with other programs (to the extent allowed by other programs).
- Other restrictions may apply. Contact the Baltimore City Office of Homeownership for details.

### **Program Contact:**

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**Live Baltimore is not responsible for the distribution of incentive funds.** Incentive funds are provided and regulated by Baltimore City's Department of Housing and Community Development.