



WASHINGTON COLLEGE POLICIES

HOUSE KEYS 4 EMPLOYEES PROGRAM

Traditionally, the purchase price for private residences within Chestertown and Kent County has made it unaffordable for many in the Washington College family to contemplate homeownership, especially homeownership close to campus. The recent collapse in home values has altered this traditional calculus. Coupled with historically low interest rates, there likely will not be a more opportune time for many Washington College faculty and staff to become homeowners.

However, down payment and settlement costs can overwhelm first-time homebuyers and is listed as the number one barrier to homeownership. To ameliorate this issue for our employees, Washington College has joined the Maryland Community Development Administration’s newest homeownership initiative, *House Keys 4 Employees (HK4E)*. An employer partnership program, *HK4E* helps Maryland’s workforce become homeowners through a creative matching funds program with the State of Maryland.

Through *HK4E*, the State of Maryland will match financial assistance dollar-for-dollar up to \$2,500 that a *HK4E* Participating Employer provides to its employees to help them purchase a home. *Smart Keys 4 Employees* is a Smart Growth enhancement to the *HK4E* Program that allows borrowers to receive additional matching funds from the State if the property the borrower is purchasing is located in a Priority Funding Area (which includes Kent County) and if the property is within 10 miles of the borrower’s place of employment or within the boundaries of the local jurisdiction. If a borrower meets these criteria for *Smart Keys 4 Employees*, the State will provide an “across the board” bonus of \$1,000.

These two programs build upon the State’s standard Down Payment and Settlement Expense Loan Program (*DSLEP*), which provides a zero interest 30-year deferred loan (up to \$5,000). Below is an illustration of the potential benefit for a fully qualified employee participating in the *DSLEP* with both House Keys for Employees (with employer match) and *Smart Keys* for Employees loans:

DSELP Loan	\$5,000
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House Keys 4 Employees	\$2,500
Washington College Grant	\$2,500
Smart Keys 4 Employees across the board bonus	\$1,000
Total closing cost/down payment assistance	\$11,000

The Town of Chestertown is contemplating a Community Development Block Grant application with which to offer additional down payment and closing cost assistance. This has the potential to raise the support for a fully qualified buyer within the incorporated limits of Chestertown to \$13,500.

Washington College will provide a grant of \$2,500 to benefit-eligible employees who qualify under the State of Maryland guidelines. The funds from the State sources are all deferred, 30-year, zero-interest loans that are repaid at the time that the home is sold or is refinanced.

To qualify, participants must meet the income limits of the Maryland Mortgage Program and attend a homebuyer education class. In Kent County, the income limits range from \$107,160 for a single individual or couple, to \$125,020 for a family of 3 or more. The maximum purchase price for a property in Kent County is \$359,798, with a maximum mortgage value of \$343,750. For home purchases in neighboring Queen Anne’s County, the income limits are \$102,720 and \$119,840 and the home price and mortgage caps are both \$429,620. Homebuyers in Kent County (a priority funding area) are not required to be first-time homebuyers. In addition, Washington College will require benefit-eligible staff to have a minimum of two years of continuous employments with satisfactory performance reviews on file. Tenure-track faculty will be eligible at the time of employment.

How to Enroll

1. Contact the Office of Human Resources to apply for a Washington College Housing grant.
2. Complete the one page [House Keys 4 Employees application](#)
3. Complete employee section of the [Verification of Partner Contribution](#) form and give it to your employer to complete the appropriate section. Your employer may be able to help you determine if additional contributions are available from local jurisdictions, unions, and/or nonprofit organizations.

4. Select a [participating CDA lender](#) in your area and make an appointment to pre-qualify for a CDA mortgage loan.
5. Provide the lender with the original of the fully completed and executed Verification of Partner Contribution form.
6. Talk to your lender about homebuyer education before signing a contract of sale. Please note that in the City of Baltimore and Anne Arundel, Baltimore, and Harford Counties, you must meet certain homebuyer education/housing counseling requirements. Refer to the [Counseling](#) information on the [House Keys 4 Employees](#) website or call toll-free 1-800-638-7781.

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