

SETTLEMENT INSTRUCTIONS
TAKE ADVANTAGE - AFFORDABLE INCOME SUBSIDY GRANT

Re: eHousingPlus Loan number: _____

Borrower(s): _____

Property Address: _____

Affordable Income Subsidy Grant Amount: \$ _____

Program Code: **6-AIS**

This letter contains your instructions for handling the closing of an Affordable Income Subsidy Grant (the "Grant") to the Borrower(s) named above on behalf of the Housing Opportunities Commission of Montgomery County, Maryland ("HOC").

You are authorized to close the Loan and disburse the grant moneys only when the instructions contained in this letter are satisfied.

- 1. PREPARATION OF DOCUMENTS:** You are to use the forms provided to you and prepare them as follows:
 - A. GRANT AGREEMENT.** Prepare an original and one copy for the Borrower(s). You must fill in all of the blanks. The original is to be executed by the Borrower(s) and witnessed.
 - B. AWARD LETTER.** The amount of the grant must be the amount completed on the Award Letter. The grant is strictly \$2,500.00 for borrower incomes up to 50% AMI, or \$1,500.00 for borrower incomes above 50% AMI.
 - C.** A copy of the **Money Transfer Incoming Detail Report (MTIDR)** or similar form from the depository showing that the funds were wired should be **forwarded from the title company to the lender** for them to submit in the purchase submission that goes to US Bank. At a minimum, the MTIDR must include the date, amount of the Maryland Mortgage Grant Assist grant, the beneficiary name (name of the title company), the beneficiary bank name, sender name, address and bank name, and the bank to bank information (Grant, First Mortgage Loan #, and Borrower name).

2. CLOSING DISCLOSURE:

The lender will advance the grant funds at closing. US BANK will reimburse the lender directly after the loan is purchased.

IMPORTANT: The grant funds must be added to the Closing Disclosure in section "L" AS A SEPARATE LINE ITEM. Identify the grant funds as "MC HOC's Affordable Subsidy \$2,500.00 Grant" or "MC HOC's Affordable Subsidy \$1,500.00." The Freddie Mac Special feature code "H56" should be added to the 1008 form.

3. LOAN DOCUMENTS to LENDER:

The original, fully executed **Grant Agreement, Award Letter and MTIDR** for the grant are to be forwarded with and in the same manner as the first trust loan documents. Please note that all **ORIGINAL DOCUMENTS ARE TO BE RETURNED TO THE LENDER.**