

BORROWER'S APPLICATION AND AFFIDAVIT
DOWNPAYMENT AND SETTLEMENT EXPENSE LOAN PROGRAM

Department of Housing and Community Development
100 Community Place, Crownsville, Maryland 21032

Explanation and Instructions

This is an application and affidavit to the Department of Housing and Community Development of the State of Maryland ("DHCD") for a mortgage loan (the "Loan") under the Downpayment and Settlement Expense Loan Program (the "DSELP") to finance certain settlement expenses for purchasing a home. A DSELP Loan is secured by a second or third lien (as required by DHCD) on the property being purchased by the borrower(s) (the "Property").

IT IS A STATE OFFENSE PUNISHABLE BY A MAXIMUM OF A \$50,000 FINE, FIVE YEARS IMPRISONMENT, OR BOTH, TO KNOWINGLY MAKE A FALSE STATEMENT IN THIS APPLICATION AND AFFIDAVIT (ARTICLE 83B, SECTION 2-1007, ANNOTATED CODE OF MARYLAND).

READ THIS APPLICATION AND AFFIDAVIT CAREFULLY TO BE SURE THE INFORMATION IS TRUE AND COMPLETE. If you are uncertain about the meaning of any question, ask your first mortgage lender for an explanation.

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The

Borrower(s), _____, hereby apply to DHCD for a DSELP Loan in the amount of \$ _____, at a rate of zero percent (0%) per annum. The term of the DSELP Loan is the same as the term of Borrower's first mortgage loan. Payment of principal is deferred until the first to occur of (1) the maturity date or prepayment of Borrower's first mortgage loan, (2) the sale or other transfer of the Property, in whole or in part, or (3) a default under the DSELP Loan. The entire principal balance of the DSELP Loan will be due at that time.

The Borrower(s), as an essential part of the application for the Loan, do hereby certify and represent to the Department:

The information contained in the application of the Borrower(s) to _____ (name of first mortgage lender) for a first mortgage loan, a copy of which is hereby submitted to DHCD, is true and complete and the loan terms have not changed. The first mortgage loan application shall become part of this Application and Affidavit.

Each Borrower declares under penalty of perjury that the contents of this Application and Affidavit are true to the best of his or her information and belief.

Date: _____ Borrower: _____

Date: _____ Borrower: _____

Date: _____ Borrower: _____