



U.S. Department of Housing and Urban Development

Homeownership Center
The Strawbridge's Building
801 Market Street
Philadelphia, Pennsylvania 19107-3389

Approved for the following areas:

City and/or County, State
ZIP Codes: See Enclosure 2

Approval Date: 2/1/2022
Expiration Date: 2/1/2024

Erin Karpewicz
Executive Director
Arundel Community Development Services
2666 Riva Road – Suite 210
Annapolis, MD 21401

Dear Ms. Karpewicz:

The Philadelphia Homeownership Center (PHOC) is pleased to advise you that **Arundel Community Development Services** has been recertified as a nonprofit participant in the following activities:

- **Provide secondary financing assistance to homebuyers utilizing FHA insurance on a first mortgage.**

HUD has reviewed your application for re-approval as a nonprofit secondary financing provider. Arundel's program as described meets HUD guidelines. Arundel Community Development Services may provide secondary financing assistance in conjunction with an FHA-insured first mortgage, provided the following guidelines are met:

1. the secondary financing is disclosed at the time of application;
2. no costs associated with the secondary financing are financed into the FHA-insured first Mortgage;
3. the secondary financing payments must be included in the total Mortgage Payment;
4. the secondary financing must not result in cash back to the Borrower except for refund of earnest money deposit or other Borrower costs paid outside of closing;
5. the secondary financing may not be used to meet the Borrower's Minimum Required Investment (MRI);
6. there is no maximum Combined Loan-to-Value (CLTV) for secondary financing loans provided by HUD-approved Nonprofits; and
7. the second lien may not provide for a balloon payment within 10 years from the date of execution.

Please be advised that a nonprofit organization that is assisting a government entity in the operation of its secondary financing program is not required to obtain approval or be placed on the

HUD-Approved Nonprofit Organization Roster so long as it meets the underwriting requirements of *Single Family Housing Policy Handbook* 4000.1 (SF Handbook), Section II.A.4.d.iii.(J)(1)(b) when underwriting through TOTAL Mortgage Scorecard or SF Handbook, Section II.A.5.c.iii.(J)(1)(b) for Manual underwriting.

Please provide a copy of this letter to any lender providing FHA-insured financing in conjunction with Arundel Community Development Services secondary financing program. This approval is limited to the geographic areas listed above and the secondary financing documents enclosed.

Although your nonprofit agency has been approved and other Homeownership Centers will recognize this approval, the *Affordable Housing Program Plan* (AHPP) approval is limited to the geographic areas listed above. Should you wish to expand into other areas, please contact the individual listed below for expansion requirements. You must notify the PHOC *immediately* of any proposed changes to your approved AHPP. All proposed changes must be approved by HUD prior to implementation.

Your nonprofit approval will expire after two years. Please submit a request for recertification a minimum of 90 days prior to the expiration of this approval. Recertification packages must be submitted through our Nonprofit Data Management System (NPDMS) in accordance with the instructions provided in *Single Family Housing Policy Handbook* 4000.1 (SF Handbook). **Failure to complete the recertification process and obtain re-approval prior to the two-year expiration of this approval letter will result in your removal from the HUD-Approved Nonprofit Organization Roster effective on the date of the approval expiration.**

It is the nonprofit agency's responsibility to be aware of guidelines and procedures relative to nonprofit participation in FHA programs and to maintain knowledge of any updates that relate to these guidelines and procedures. The enclosed list of guidance letters and handbooks will provide a baseline of information. However, future guidance and information will be made available on the HUD website located at <http://www.hud.gov>. Those agencies that do not adhere to Departmental guidelines and procedures are subject to possible suspension and/or removal from the HUD-Approved Nonprofit Organization Roster. You can receive notification of any new Mortgagee Letters, training and other program updates by registering at the following website: https://www.hud.gov/program_offices/housing/sfh/FHA_INFO_subscribe.

We appreciate your interest in the Department's programs and your assistance to low- to moderate-income individuals and families in your community. If we can be of further assistance, please contact Janice Skinner of my staff via email at janice.skinner@hud.gov.

Sincerely,

2/1/2022

X Elizabeth M. Cahall

Elizabeth M. Cahall
Director, Program Support Division
Signed by: ELIZABETH CAHALL

Elizabeth M. Cahall
Director
Program Support Division

Enclosures:

- #1 List of Reference Documents
- #2 Approved Zip Codes
- #3 Legal Documents

ENCLOSURE #2

Zip	City	County	State
20701	ANNAPOLIS JUNCTION	ANNE ARUNDEL COUNTY	MD
20711	LOTHIAN	ANNE ARUNDEL COUNTY	MD
20714	NORTH BEACH	CALVERT COUNTY	MD
20724	LAUREL	ANNE ARUNDEL COUNTY	MD
20733	CHURCHTON	ANNE ARUNDEL COUNTY	MD
20736	OWINGS	CALVERT COUNTY	MD
20751	DEALE	ANNE ARUNDEL COUNTY	MD
20754	DUNKIRK	CALVERT COUNTY	MD
20755	FORT GEORGE G MEADE	ANNE ARUNDEL COUNTY	MD
20758	FRIENDSHIP	ANNE ARUNDEL COUNTY	MD
20764	SHADY SIDE	ANNE ARUNDEL COUNTY	MD
20765	GALESVILLE	ANNE ARUNDEL COUNTY	MD
20776	HARWOOD	ANNE ARUNDEL COUNTY	MD
20778	WEST RIVER	ANNE ARUNDEL COUNTY	MD
20779	TRACYS LANDING	ANNE ARUNDEL COUNTY	MD
21012	ARNOLD	ANNE ARUNDEL COUNTY	MD
21032	CROWNSVILLE	ANNE ARUNDEL COUNTY	MD
21035	DAVIDSONVILLE	ANNE ARUNDEL COUNTY	MD
21037	EDGEWATER	ANNE ARUNDEL COUNTY	MD
21054	GAMBRILLS	ANNE ARUNDEL COUNTY	MD

Zip	City	County	State
21056	GIBSON ISLAND	ANNE ARUNDEL COUNTY	MD
21060	GLEN BURNIE	ANNE ARUNDEL COUNTY	MD
21061	GLEN BURNIE	ANNE ARUNDEL COUNTY	MD
21076	HANOVER	ANNE ARUNDEL COUNTY	MD
21077	HARMANS	ANNE ARUNDEL COUNTY	MD
21090	LINTHICUM HEIGHTS	ANNE ARUNDEL COUNTY	MD
21106	MAYO	ANNE ARUNDEL COUNTY	MD
21108	MILLERSVILLE	ANNE ARUNDEL COUNTY	MD
21113	ODENTON	ANNE ARUNDEL COUNTY	MD
21114	CROFTON	ANNE ARUNDEL COUNTY	MD
21122	PASADENA	ANNE ARUNDEL COUNTY	MD
21123	PASADENA	ANNE ARUNDEL COUNTY	MD
21140	RIVA	ANNE ARUNDEL COUNTY	MD
21144	SEVERN	ANNE ARUNDEL COUNTY	MD
21146	SEVERNA PARK	ANNE ARUNDEL COUNTY	MD
21401	ANNAPOLIS	ANNE ARUNDEL COUNTY	MD
21402	ANNAPOLIS	ANNE ARUNDEL COUNTY	MD
21403	ANNAPOLIS	ANNE ARUNDEL COUNTY	MD
21405	ANNAPOLIS	ANNE ARUNDEL COUNTY	MD
21409	ANNAPOLIS	ANNE ARUNDEL COUNTY	MD