‘Reinvest Baltimore Rate Savings’ Loan Program: Summary of Key Terms

Main Benefits:

- ✓ 3.5% fixed interest rate
- ✓ Low down payment (just 3% of purchase price)
- ✓ No private mortgage insurance required
- ✓ Eligible for up to an additional $30,000 in grants, available through Baltimore City’s Vacants-to-Value ($10,000) and NHS' Reinvest Baltimore Down Payment Assistance ($20,000) programs *(subject to availability)*

Other Key Terms:

- <u>Select properties only</u>: home must be in a Baltimore Vacants Reinvestment Initiative (BVRI) neighborhood *(see list on last page)*
- Developer must be pre-approved by Healthy Neighborhoods
- Borrower must intend to be an owner occupant
- Maximum loan amount of $416,375
- Minimum credit score of 620
- Loan is a “first mortgage”

‘Reinvest Baltimore Rate Savings’ Loan Program: Key Terms

for homebuyers purchasing formerly vacant homes renovated through Healthy Neighborhoods-approved developers and located within a Baltimore Vacants Reinvestment Initiative (BVRI) neighborhood

1. Eligible borrowers are individuals purchasing an eligible property from a Healthy Neighborhoods-approved developer as part of a pre-approved development project located within a Baltimore Vacants Reinvestment Initiative (BVRI) neighborhood. Borrowers must be, or intend to be, owner occupants.

2. Eligible homes will be formerly vacant homes rehabbed by a developer into 1-4 properly zoned residential units approved by Healthy Neighborhoods.

3. Borrowers may be referred to the lender by a participating neighborhood organization, or Healthy Neighborhoods, Inc. Borrower is responsible for the upfront cost of a credit report.

4. Borrowers will be underwritten and approved by M&T Bank. Borrowers must meet standard underwriting guidelines. Housing expense, including principal, interest, taxes and insurance, should not exceed 30% of borrower's income. Total long term debt payments should not exceed 45% of borrower's income. A minimum credit score of 620 is required. Borrower may not have any open derogatory credit items.

5. Maximum aggregate loan amount secured by the property (including any settlement expense loans) shall not exceed 97% of after-rehabilitation loan-to-value, as established by appraisal. Individual loans are capped at 50% of the Fannie Mae/Freddie Mac conforming loan limit for one-unit properties in Baltimore, Maryland ($416,375 for 2026), and will automatically adjust each year upon FHFA's release of updated conforming loan limits. No private mortgage insurance is required.

6. Maximum loan term is 30 years.

7. Purchasers must invest at least 3% of the purchase price from their own funds. Gifts may be counted toward meeting this requirement; however, government or philanthropic grants and settlement expense loans will not count toward meeting the investment requirement. Borrowers are responsible for closing costs of any subordinate debt.

8. The interest rate will be fixed at 3.5%, which is intended to be substantially below prevailing market rates for comparable products. To achieve this reduced rate, Healthy Neighborhoods utilizes grant funds provided by the State of Maryland to purchase mortgage discount points on behalf of eligible borrowers. The availability of loans at this below-market interest rate is contingent upon the continued availability of State grant funding and may be limited or discontinued once such funding resources are exhausted.

9. The loans will constitute a first mortgage on the property payable in fixed monthly payments consisting of principal, interest and escrow.

10. Developer must be pre-approved by Healthy Neighborhoods.

11. Developer must show evidence that at least 30% of the ultimate purchase price of the property will have been expended on renovations.

12. Borrower will pay 1.75 points as a loan origination fee to M&T Bank, a one-time .5% pool insurance fee to the Maryland Housing Fund (or other guarantor) plus all customary loan closing costs. These fees and customary loan closing costs may be included in the loan if the borrower has met the required cash contribution and loan amount does not exceed maximum program loan-to-value.

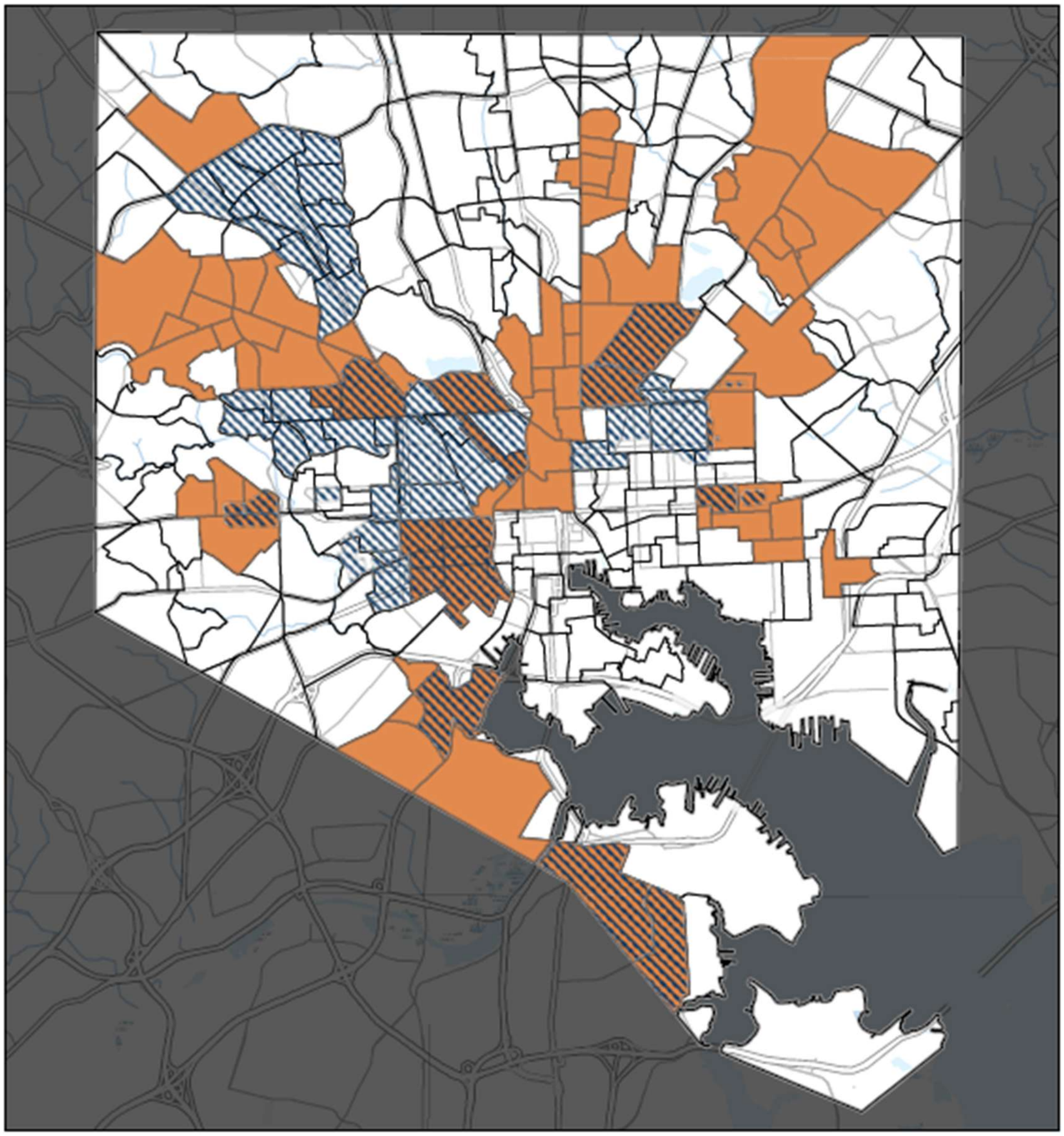
13. An application disclosure must be signed by all borrowers prior to loan commitment.

14. The borrower agrees that any payment delinquency or default may be reported by the lender to the referring neighborhood organization, to Healthy Neighborhoods, Inc., and to any loan pool guarantor, insurer or Healthy Neighborhoods neighborhood partner.

15. Borrowers who own residential rental properties are not eligible for financing under this program, unless otherwise granted an exception at the program's discretion.

16. Healthy Neighborhoods, Inc. may charge a fee of $300 per loan to manage the developer approval process.

The ‘Reinvest Baltimore Rate Savings’ Loan Program Map: Baltimore Vacants Reinvestment Initiative (BVRI)



8/19/2026

1:129,193

0 0.75 1.5 3 mi

0 1.25 2.5 5 km

Reinvest Baltimore Rate Savings Program Eligible: BVRI

Healthy Neighborhoods

Baltimore Neighborhoods

The Baltimore Vacants Reinvestment Initiative (BVRI) Neighborhoods

- Brooklyn
- Broadway East
- Coldstream Homestead Montebello
- Curtis Bay
- Darley Park
- East Baltimore Midway
- Ellwood Park
- Franklin Square
- Harlem Park
- Hollins Market / Mount Clare
- Johnston Square
- Marble Hill
- Mondawmin
- Park Heights
- Penn North
- Upton
- W. North Ave
- Westport

Note: the above list reflects FY26/FY27 BVRI Awardees. Future year awards may include additional neighborhoods.