Special Purchase Program Loan:
Summary of Key Terms

Main Benefits:

- ✓ 1% "below market" rate
- ✓ Low down payment (just 3% of purchase price)
- ✓ No private mortgage insurance required
- ✓ Can be paired with our Reinvest Baltimore Rate Savings Grant to further reduce the interest rate *(for select properties only)*

Other Key Terms:

- Home must be in a "Healthy 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"

Special Purchase Program Loan: Key Terms

for homebuyers purchasing formerly vacant homes
renovated through Healthy Neighborhoods approved developers

1. Eligible borrowers will be those who are purchasing an eligible property from a Healthy Neighborhoods pre-approved developer and development project. 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 determined at the time of rate lock and is generally intended to be approximately 1% below prevailing market rates for comparable products, subject to then-current market conditions and lender discretion. In no event shall the interest rate be less than 3%. For avoidance of doubt, the term “below market” is provided as a general guideline only and, while it may be informed by widely observed benchmarks, it does not reference or commit to any specific published index, benchmark, or third-party standard.

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. At the time of application, the developer shall either pay a $500 fee or provide an appraisal or other acceptable assessment of the projected post-completion value, as determined by Healthy Neighborhoods. Additionally, the developer shall pay a 1-point fee to Healthy Neighborhoods prior to closing, unless this fee is expressly waived 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.

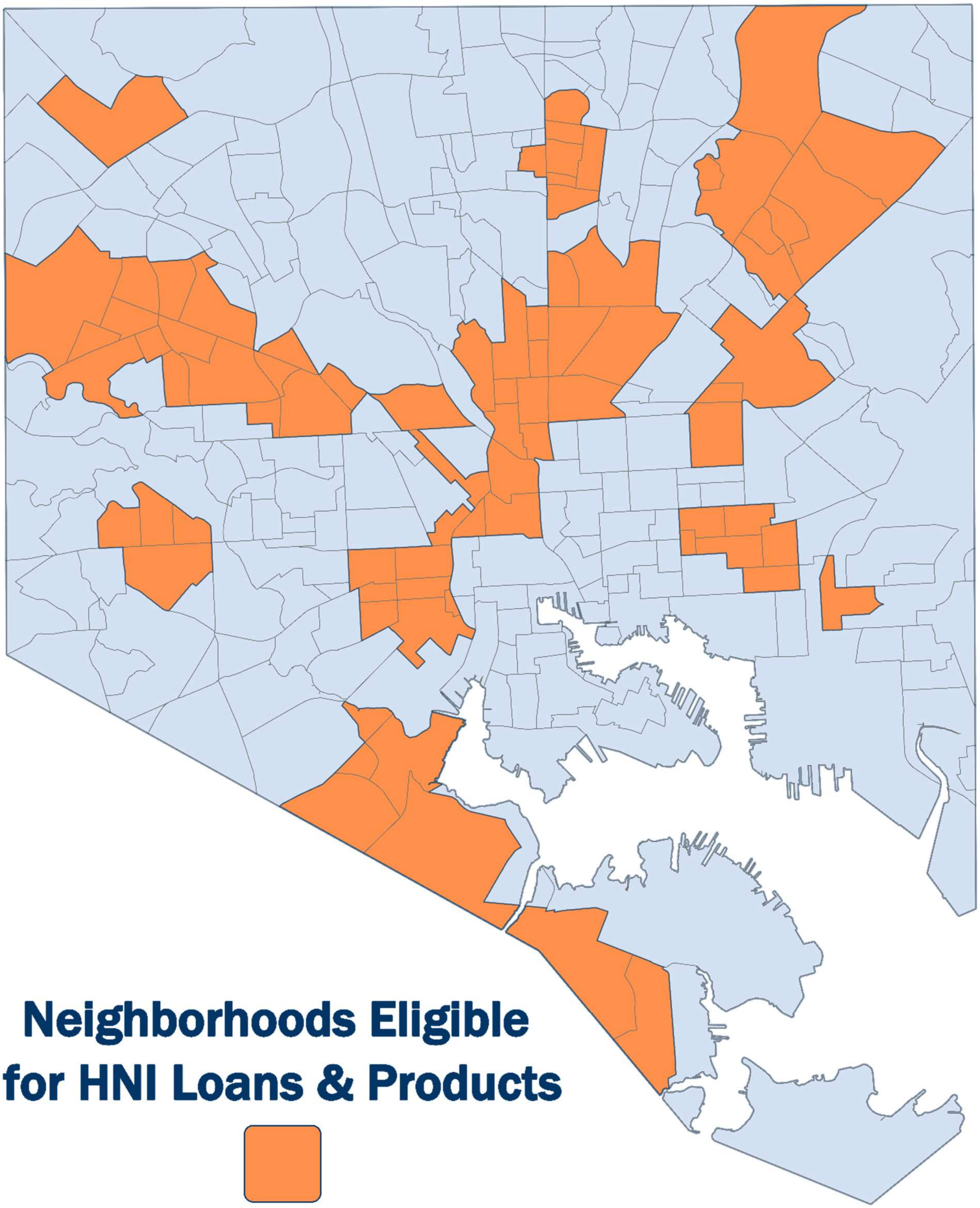
14. The borrower agrees that any payment delinquency or default may be reported by the lender to the referring neighborhood organization, to Healthy Neighborhoods, Inc., and to any loan pool guarantor, insurer or Healthy Neighborhoods neighborhood partner.

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.

17. For select properties and for a limited time only, borrowers may be eligible for the Reinvest Baltimore Rate Savings Grant, which, if available, can be utilized with this loan.

The “Healthy Neighborhoods” Map



The "Healthy Neighborhoods"

Abell
Allendale
Arcadia
Auchentoroly-Parkwood (Parkview/Woodbrook)
Ashburton
Baltimore Highlands
Barclay
Barre Circle
Belair-Edison
Berea
Better Waverly
Beverly Hills
Brooklyn
Callaway-Garrison
Central Forest Park
Charles North
Charles Village
Cherry Hill
Coldstream Homestead Montebello
Concerned Citizens of Forest Park
Curtis Bay
Dorchester
East Baltimore Midway
Edgewood
Edmondson Village
Ednor Gardens - Lakeside
Ellwood Park/Monument
Forest Park
Four by Four
Forest Park Golf Course
Franklin Square
Garwyn Oaks
Glen
Greektown
Greenmount West
Hamilton (Glenham-Belhar)
Hamilton Hills
Hanlon-Longwood
Harwood
Heritage Crossing
Highlandtown
Hillsdale Heights
Hollins Roundhouse
Howard Park
Kenilworth Park
Lakeland
Lauraville
Liberty Square
Madison Park
McElderry Park
Mid-Govans
Mid-Town Belvedere
Mondawmin
Moravia-Walther
Morgan Park
Mount Clare
Mount Vernon
Mount Winans
Old Goucher
Panway/Braddish Avenue
Parkway (Burleith-Leighton)
Patterson Park
Patterson Place
Pigtown/Washington Village
Poppleton
Radnor Winston
Remington
Reservoir Hill
Richnor Springs
Rognel Heights
Seton Hill
Saint Paul
Union Square
Waltherson
Waverly
West Forest Park
Westport
Wilson Park
Winston-Govans
Woodbourne-McCabe

**Upon approval by the Healthy Neighborhoods, Inc. Board, additional neighborhoods may be added.*