

# Maryland HomeCredit Program

The Maryland Department of Housing and Community Development announced its Maryland HomeCredit program on June 1. The program is for homebuyers to couple with the competitive rates and significant down payment assistance available through the Maryland Mortgage Program.

Eligible homebuyers who purchase a home before December 1, 2014 can use the Maryland HomeCredit to claim 25 percent of the annual mortgage interest they pay as a federal tax credit, up to \$2000.00 for every year the mortgage is outstanding and they live in the home.

## Bank of America's \$16 Billion Mortgage Settlement –August 21-2014

The Justice Department said on Thursday that it had so far recovered nearly \$37 billion from big banks for their role in selling shoddy mortgages before the financial crisis.

Such a large number — intended to deter misdeeds in the future — suggests that Wall Street is being made to pay for its role in stoking the subprime debacle. Yet the financial pain inflicted by the settlements may not be as great in the end.

[Bank of America has agreed to a \\$16.65 billion deal](#) with federal and state authorities. The actual financial burden for [Bank of America](#), however, may not exceed \$12 billion — certainly a large amount, but one significantly less than the number the government trumpets.

At issue is how much of the cost of the \$7 billion in “soft dollars,” or help for borrowers, the bank will bear under the settlement. Some of the relief the bank will provide involves cutting the principal of a loan to make it easier for the borrower to pay. The dollar amount of that reduction gets credited toward what it needs to fulfill the settlement. But Bank of America wrote down many of its troubled mortgages years ago. And investment firms, not Bank of America, may now own some of the loans that get written down, potentially shielding the bank from a financial hit.

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NAACP Housing Chair

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