Queen Anne's County Department of Community Services
Housing and Community Services
Critical Workforce (CWF)
Second Mortgage Financing Program

Revised September 10, 2025

Welcome to the Queen Anne's County Critical Workforce (CWF) Second-Mortgage Financing Program. The information listed below has been prepared as a guide to answer questions with respect to eligibility, required documentation, selection and terms of agreement. The purpose of the program is to ensure that the county continues to have an adequate supply of workers in those jobs, which are critical to the safety and well-being of our county residents.

Eligibility:

1. At least one of the borrowers must fall into one or more of the following categories:
   a. Section 8 Family Self-Sufficiency Program participants.
   b. Critical Workforce Employees
      i. Teacher employed full-time by the Queen Anne's County Board of Education.
      ii. Law enforcement officers, including correctional officers employed full-time in Queen Anne's County by County or Municipal Government.
      iii. Department of Emergency services EMS Clinicians employed full-time in Queen Anne's County.
      iv. An active member of a Queen Anne's County Volunteer Fire Company for the past 12 months. This includes both firefighters and Emergency Medical Technicians. The President or Chairman of the County Volunteer Chief's Association must certify eligibility for this category.
      v. Queen Anne's County Emergency Dispatchers.
2. An individual or family may not earn more than the maximum income allowed under the program.
   a. The maximum income allowed is based on FY Income limits for the Baltimore Metropolitan Statistical Area (MSA) with adjustments for household size as reported by the United States Department of Housing and Urban Development (HUD). Income may not exceed 100% of the area median income.

The maximum allowable income for 2025 (effective July 1, 2025)

Household Size		1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Queen Anne's County	100%	91,190	104,250	117,250	130,250	14,690	151,130	161,560	171,940

3. An individual or a family may not currently own a home or have owned a home in the last five years.
4. An individual or a family must have a good credit rating, steady employment, and the home must be affordable for their income.
5. Eligible persons must be able to obtain a pre-qualification letter from a lending institution for an amount not less than the purchase price of the home minus the Second Mortgage financing and must remain income eligible up to the time their mortgage loan is submitted for underwriting. A co-signer or guarantor is permitted with respect to the primary financing provide such person co-sign or guarantee the CWF loan.
6. **Each** eligible person must provide a certificate showing they have completed home ownership counseling.

Required Documentation for Certification: *Applications take a minimum of 4 weeks to process*

An individual or family must submit an original signed application and provide photocopies of all other required documentation.

Required documentation includes:

1. Completed application, signed and dated by all potential eligible applicants*
2. **Certified** copies of most-recent income tax return*
3. Pay stubs for the last 30 days for **all** wage earners aged 18 or older.
   a. Completion of Employer Verification form for everyone on the mortgage (to be filled out by employer).*
4. A completed budget worksheet.*
5. Copies of driver's licenses for everyone in the household.
6. A credit report with a credit score which is no more than 30 days old for all adult wage earners in the household. Credit reports can be obtained from one of the following: Equifax www.Equifax.com, or 1-800-685-1111 · Experian www.experian.com , or 1-888-397-3742 · Trans Union, www.transunion.com, or 1-800-991-8800.

7. Pre-qualification letter from a lending institution for an amount not less than the purchase price of the home minus the Second Mortgage Financing.
8. A certificate showing they have completed home ownership counseling.

**** Forms provided by Queen Anne's County Department of Community Services, Housing and Community Services.***

Additional information with respect to purchases with the CWF Second Mortgage Financing Program:

1. The Critical Workforce maximum loan amount will be in an amount not to exceed $50,000 or 33% of the value of the purchase price of the property, whichever is less.
2. Loans are zero percent, interest deferred payment loans.
3. Home must be located in Queen Anne's County.
4. The loan will be a second mortgage on the property.
5. The loan can be paid off or payments made to the principal with no penalty.
6. Home must be the applicant's primary residence and only property in Queen Anne's County in order to remain eligible for the program. The County reserves the right to verify this information through any means available, and the recipient of a loan is *required* to notify the County immediately if the mortgaged property ceases to be his/her principal residence or he/she acquires an interest in any other real property in Queen Anne's County.
7. In order to avoid a double benefit, loans may not be used to purchase a home along with the County's Inclusionary Housing Program (Title 18 – Moderately Priced Dwelling Units.)
8. The CWF second mortgage is non-transferrable to heirs.
9. Second Mortgage Financing cannot be used to purchase buildable lots unless the applicant is simultaneously applying for a construction loan which is going to convert to a long-term mortgage and the bank is going to be responsible for monitoring the project.
10. Assistance cannot be used "after the fact," it is only available at the original time of closing on the property.
11. A co-signer or guarantor is permitted with respect to the primary financing provided such person co-sign or guarantee the CWF Loan.
12. *IMPORTANT: Critical Workforce Second Mortgage Financing recipients must remain in an eligible category (employment or volunteer service) for five (5) years, with the exception of Section 8 clients and continue to use the property as their primary residence. Annual re-certification will be conducted to ensure eligibility. If no longer in an eligible category, the loan will NO LONGER be interest free or deferred. Payments will commence 60 days after a determination of ineligibility. The outstanding balance will be repaid in 240 monthly payments of principal and interest and will be amortized over 20 years. Payment will be due the first of each month. Interest will be accrued at a rate of 8% per annum.*
13. This is a loan, not a grant; it will not be forgiven with the exception of circumstances which are beyond the control of the employee. These circumstances will be considered on a case-by-case basis and reviewed annually by the Chief of Housing & Family Services of the Department of Community Services, Division of Housing and Community Services."
14. Critical Workforce Program mortgages can only be subordinated to refinance the current mortgage amount to a lower interest rate. No "cash out" will be permitted with the exception of loan closing costs. In a refinancing, mortgagees will not be permitted to consolidate loans into a new mortgage even if the net amount is below the original loan amount.

Program Administration:

Persons seeking a loan will apply through the Queen Anne's County Department of Community Services, Division of Housing and Community Services. Loans will be approved in order of **date of qualification** until the funding runs out. The Chief of Housing & Family Services will approve each loan once the applicant's eligibility is established.

Each loan will be secured by a second mortgage on the property being purchased. Mortgages will be recorded in the Queen Anne's County Land Records at the borrower's expense.

A copy of the closing documents must be sent to the Department at least 14 days prior to closing.
All loan repayments will be placed in the Housing Revolving Fund.

The CWF Second Mortgage Financing Program is a loan, not a grant.
It will not be forgiven for any reason.