



LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lt. Governor

Kenneth C. Holt
Secretary

November 9, 2016

Directive 2016-15

TO: ALL PARTICIPATING LENDERS

SUBJECT: ORIGINATION FEE ON MARYLAND MORTGAGE PROGRAM LOANS

The Department has determined that Lenders may now charge an Origination Fee in conjunction with a Maryland Mortgage Program loan. To support this policy change, effective with loans closing 11/14/2016, lenders will be required to provide a detailed summary of the Origination Fee. Lenders are strongly encouraged to reflect this on the Closing Disclosure (Preferred Method) or by including a separate sheet with the components of the Origination Fee calculation. The Origination Fee may only contain charges that are deemed customary and common and no portion of the fee may be used to buy down the interest rate. Discount Points are not allowed with any MMP loan at this time.

As always, we appreciate your continued participation in our programs.

If you have any questions concerning this Directive or suggestions for improvements, please email Singlefamilyhousing.dhcd@maryland.gov.

Sincerely,

Karl Metzgar

Karl Metzgar
Assistant Director / Operations Manager
Single Family Housing

