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November 10, 2015

**Directive 2015-57**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: U.S. BANK CHANGES TO OVERLAYS FOR MARYLAND MORTGAGE PROGRAM LOANS**

The Purpose of this Directive is to inform you of changes to U.S. Bank's overlays concerning loans under the Maryland Mortgage Program reserved on and after December 1, 2015.

**1. Effective with loan reservations on or after December 1, 2015, U.S. Bank HFA Division will not accept FHA Manually Underwritten loans in the state of Maryland.**

**2. Effective with loan reservations on or after December 1, 2015, all FHA Maryland Mortgage Program loans submitted to U.S. Bank for purchase must have a minimum representative Credit Score greater than or equal to 660 for all borrowers on the application. All FHA loans must follow the new minimum Credit Score requirements as outlined below:**

**Minimum Representative Credit Score:**

- If a tri-merged credit report is used, the middle score must be 660 or higher.
- If a merged credit report only returns two scores, the lower of the two scores must be 660 or higher.
- If a merged credit report only returns one score, that scores must be 660 or higher.

**Debt-To-Income (DTI) Ratio**

**Maximum DTI of 45%, for loans approved through an Automatic Underwriting System (Desktop Underwriter or Loan Prospector).**

**3. Effective with loan reservations on or after December 1st 2015,**

**U.S. Bank Home Mortgage HFA division will no longer accept Manufactured Housing loans.**

**This includes all loan types purchased by the HFA division: FHA, VA, USDA/RD, Conventional (Fannie Mae and Freddie Mac). This overlay does not bring any changes to the current requirements applicable to Maryland Mortgage Program loans. Modular houses are still accepted.**

As always, we appreciate your continued participation in our programs. If you have any questions concerning this Directive or suggestions for improvements, please contact Vicki Jones at [vicki.jones@maryland.gov](mailto:vicki.jones@maryland.gov) or Ed Anthony at [edward.anthony@maryland.gov](mailto:edward.anthony@maryland.gov).

Sincerely,  
*Maddy Ciulu*

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Deputy Director Single Family Housing

