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February 7, 2018

Directive 2018-06

TO: ALL PARTICIPATING LENDERS

SUBJECT: NEW ENHANCEMENTS FOR LOAN DOCUMENTATION **UPDATED******

- 1. Elimination of Attachment C - HOUSING COUNSELING - Lender Certification of Completion**
- 2. Standard Pre-Closing Compliance Loan Package 2 Updates**

In conjunction with our recent initiative to improve our processes and programs, the Community Development Administration (CDA) is happy to announce the following additional changes to the Maryland Mortgage Program (MMP) process:

Effective today, **Attachment C – Housing Counseling – Lenders Certification of Completion** is being removed and lenders are no longer required to certify borrower's completion of housing counseling. The certification from the Housing Counseling Agency is sufficient to document completion. This is being removed from both Standard Pre-Closing Compliance Package 1 (for Loan Assist products and any loan with a Maryland HomeCredit) and Standard Pre-Closing Compliance Package 2 (for Grant Assist and Rate Assist loans that are not getting a Maryland HomeCredit). This change is applicable to all reservations currently in the pipeline as well.

STANDARD PRE-CLOSING COMPLIANCE PACKAGE 2 - GRANT ASSIST and RATE ASSIST. This package has been updated with new Checklists and an amended MMP Income Eligibility Worksheet and Lender Certification. This revised documentation is specific to Grant Assist and Rate Assist loans without a Maryland HomeCredit (MCC). The new checklists reflecting reduced documentation will assist lenders in compiling loan packages more quickly and easily. The new attachments are:

- Attachment GG – Pre-Closing Compliance Checklist for Grant Assist and Rate Assist Loans with No MCC
- Attachment HH – Post-Closing Compliance Checklist for Grant Assist and Rate Assist Loans with No MCC
- Attachment GR - MMP Income Eligibility Worksheet and Lender Certification for Grant Assist and Rate Assist Loans with No MCC



The goal moving forward is to strengthen the partnership between MMP and our lenders by making our programs easier to use. As always, we appreciate your continued participation.

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

Sincerely,

Karl Metzgar

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