



LARRY HOGAN  
*Governor*

BOYD K. RUTHERFORD  
*Lt. Governor*

Kenneth C. Holt  
*Secretary*

Tony Reed  
*Deputy Secretary*

**March 30, 2018**

**Directive 2018-09**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: INTERESTED PARTIES CONTRIBUTIONS' LIMIT INCREASE FOR FANNIE MAE INSURED LOANS - EXTENDED**

Exciting News! The Department just received word today and we are pleased to announce that FANNIE MAE has decided to extend the program allowing Interested Parties Contributions (IPC) up to 4% for conventional loans with LTV above 90%. The new deadline for purchase by US BANK has been extended from May 10, 2018 to August 10, 2018.

This Directive supersedes Directive 2018-08 and Directive 2017-16. As a reminder, the highlights of the program are:

- The increase is effective beginning August 1, 2017 for Fannie Mae loans only. Loans must be purchased by US Bank on or before August 10, 2018.
- Desktop Underwriter (DU) decision result must be an Accept. No manual underwriting is allowed. **Loan Product Advisor may not be utilized.**
- The lender may disregard DU messages indicating that the loan is ineligible because the IPC exceeds the maximum allowable contribution (as long as the IPC does not exceed 4%).
- The loan product must be HFA Preferred and Special Feature Code 849 must be added to the Uniform Underwriting and Transmittal Summary, FNMA 1008.

If you have any questions concerning this Directive or suggestions for improvements, please email [singlefamilyhousing.dhcd@maryland.gov](mailto:singlefamilyhousing.dhcd@maryland.gov). As always, we appreciate your continued participation in our programs.

Sincerely,

*Karl Metzgar*

Karl Metzgar  
Assistant Director / Operations Manager  
Single Family Housing

