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BOYD K. RUTHERFORD
Lt. Governor

Kenneth C. Holt
Secretary

Tony Reed
Deputy Secretary

May 9, 2018

Directive 2018-12

TO: ALL PARTICIPATING LENDERS

**SUBJECT: LENDER REIMBURSEMENT FOR DOWN PAYMENT LOANS AND GRANTS
ENHANCEMENT – ATTACHMENT W IS BEING ELIMINATED**

Great news: Attachment W is no longer needed!

In our continuing efforts to streamline our processes and documentation, the Department is announcing that the Attachment W – *Lender Request for Reimbursement for Down Payment Assistance Loans and Grants* is being eliminated from the Closing Package effective today, 05/09/18 and is being replaced with the process detailed below. Lenders will no longer have to manually request reimbursements or follow up on the DPA money.

- The Department will automatically process the lender reimbursement after US BANK has completed the purchase of the loan.
- The current time frame and schedule will remain in place - if US BANK purchases the loan by the 5th day of the month, the wire reimbursement will be sent by the 15th day of the month. If purchased by the 20th day of the month, the wire reimbursement will be sent by the 30th day of the month.
- Because we know that it can be difficult to change a process in mid-stream, lenders may continue to submit the Attachment W for current loans in the pipeline during the transition period through May 31, 2018 when the automatic reimbursement procedure will be fully implemented. Nevertheless, the Department will begin the automatic reimbursement for all loans purchased on or after today.
- During this transition period, lenders should thoroughly review their pipeline aged reservations and submit any outstanding Attachment W immediately for reimbursement. Effective June 1, 2018, Attachment W's will no longer be processed.



As always, we appreciate your continued participation in our programs and we trust that the proposed DPA reimbursement process will benefit all parties involved in the Maryland Mortgage Program.

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

