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**February 25, 2019**

**Directive 2019-05**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: DEBT TO INCOME INCREASE FOR FNMA CONVENTIONAL LOANS**

The Maryland Mortgage Program (MMP) is happy to announce that effective today we are increasing our Debt-to-Income (DTI) ratio requirement from 45.00% to 50.00%.

- This increased DTI is for **Fannie Mae Conventional Loans Only**
- Loans must receive an Approval from the Automated Underwriting System (DU) to be eligible
- Available for LTV's up to 97%
- Manually underwritten loans are not eligible
- As a reminder, lenders must follow all underwriting overlays of US Bank, FNMA, and private mortgage insurers.

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](mailto:singlefamilyhousing.dhcd@maryland.gov).

Sincerely,

*Karl Metzgar*

Karl Metzgar  
Assistant Director / Operations Manager  
Single Family Housing

