

Directive 2025-01

January 21, 2025

TO: ALL PARTICIPATING LENDERS

SUBJECT: Opening of the MMP FHA Limited 203(k) loan product only for US BANK 203(K) APPROVED LENDERS

Effective immediately, the Maryland Mortgage Program (MMP) is offering the FHA Limited 203(K) loan product. This product will help Maryland homebuyers purchase, restore and modernize a home in Maryland utilizing the Maryland Mortgage Program.

(Please visit the [MMP FHA Limited 203\(k\) loan product page](#))

Highlights of the product include:

- FHA Limited 203(k) loans may only be used for minor remodeling and non-structural repairs and only reserved by US Bank approved 203(k) lenders.
- Total rehabilitation cost cannot exceed \$75,000 (for FHA Case Numbers assigned on or after 11/4/2024 only).
- Manufactured Homes, Condos, and attached PUDS are not acceptable.
- Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program.
- The 203(K) Limited option is available for all MMP loan products which have an FHA option.
- The fact sheet is listed with the other program fact sheets on this page: [Program Fact Sheets](#)
- Questions relating to draws and other operations issues should be directed to US Bank at USB203kDisbursement@usbank.com.
- On the [MMP Training page](#), there is a US Bank presentation which includes information on how to become an approved lender for the MMP FHA Limited 203(k) product as well as highlights and contact information.

As always, we appreciate your continued participation in our programs. If you have any questions regarding this Directive, please email singlefamilyhousing.dhcd@maryland.gov

Thank you,

Denine Messersmith
Denine Messersmith
Single Family Programs
Documentation / Compliance Specialist

