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May 31, 2012

Directive 2012-16

TO: ALL PARTICIPATING LENDERS

SUBJECT: INTEREST RATES REDUCED FOR NATIONAL HOMEOWNERSHIP MONTH

The purpose of this Directive is to inform you that interest rates will be reduced as follows:

- For loans on Short Sales and Non-DHCD-Owned Foreclosures, collectively referred to now as the **Save-A-Home Loan Program** (formerly the Homeward Bound Program), located in a Non-Targeted* area
 - the interest rate will be .75% below the regular Maryland Mortgage Program (MMP) non-targeted interest rate, with a floor of 3.25%; and
 - These reduced rates are effective for loans reserved on May 31, 2012 and for the month of June, National Homeownership Month.

* The first-time homebuyer requirement is waived if one of the borrowers is a veteran and provides lender with a copy of their DD-214 – this exemption may only be used once.

- For Regular MMP and Save-A-Home Loan Program loans on properties located in a **TARGETED**** area
 - The interest rate will be 2.875%; and
 - Effective for loans reserved on or after May 31, 2012 until \$30 million has been expended
 - New program codes for first mortgage loans under Bond Series 910:
 - ✓ 307 - TARGETED MBS OPT 30YR (5/31/12)
 - ✓ 337 - TARGETED Short Sale OPT 30YR (5/31/12)
 - ✓ 357 - TARGETED Foreclosures OPT 30YR (5/31/12)

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- New program codes for DSELP/Partner Match Program loans under Bond Series 976 used in conjunction with program codes 306, 337 and 357:
 - ✓ 940 - DSELP TARGETED
 - ✓ 941 - HK4E TARGETED
 - ✓ 942 - BDIP TARGETED
 - ✓ 943 - BRAC TARGETED
 - ✓ 944 - CPIP TARGETED

** Baltimore City is only one of the targeted areas in Maryland; 14 other counties have targeted areas with six of those 14 counties being exclusively targeted. Click on the Targeted Area link at <http://www.mmprogram.org/TargetedAreas.aspx> for a list of the Targeted Areas.

- Revised Attachment CC, DD, EE & FF dated 5/31/12
- Revised Attachment R dated 5/31/12

These interest rates will be updated on our website and Lender On-Line. This Directive will be uploaded to our website at: <http://www.mmprogram.com/SnglFamHsgDir.aspx> and also to Lender On-Line (under Program Documents/Single Family Housing Directives).

As always, we appreciate your continued participation in MMP. If you have any questions concerning this Directive or suggestions for improving our Program, please contact me directly at (410) 514-7508 or 1-800-638-7781 or by e-mail at manahan@mdhousing.org.

Sincerely,

William J. Manahan

William J. Manahan
Assistant Director
Single Family Housing

Enclosures: Attachment CC (5/31/12)
Attachment DD (5/31/12)
Attachment EE (5/31/12)
Attachment FF (5/31/12)
Attachment R (5/31/12)