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**REVISED** July 3, 2012

Directive 2012-19

TO: All Participating Lenders

SUBJECT: "CONVENTIONAL UNINSURED" WILL BE AN ELIGIBLE LOAN TYPE FOR LOANS ON PROPERTIES LOCATED IN A TARGETED AREA (**CORRECTED**)

The purpose of this Directive is to inform you that "conventional uninsured" (a loan with an LTV less than or equal to 80%) will be an eligible loan type under the Maryland Mortgage Program for loans on properties located in a Targeted Area reserved on or after July 2, 2012. These loans must be underwritten to current Fannie Mae **HFA Preferred** underwriting guidelines. Secondary financing must meet Fannie Mae's guidelines for "Community Seconds" (<https://www.efanniemae.com/sf/mortgageproducts/pdf/cschecklist.pdf>) and CLTV's may not exceed 105%.

Please use one of the program codes listed below when reserving conventional uninsured (or FHA, VA or RHS) loans in a Targeted Area:

- **307-TARGETED MBS OPT 30YR (5/31/12)**
- **337-TARGETED-Short Sale OPT30YR(5/31/12)**
- **357-TARGETED-Foreclosures OPT 30YR(5/31/12)**
- **377-TARGETED DHCD-Owned Foreclosures 0 PT(7/1/12) – New program code**

The Lender's Compliance Manual for the MBS Program (located at: <http://mmprogram.org/LendersManuals.aspx>) and Attachments CC, DD, EE, FF and R (located at: <http://mmprogram.org/Attachments.aspx>) will be updated to include this new loan type.

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](mailto:manahan@mdhousing.org).

Sincerely,

***William J. Manahan***

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