



MARYLAND MORTGAGE
Making Homeownership Affordable

MAR. 24, 2025

FACT SHEET:
FHA LIMITED 203(K) LOAN

PURPOSE	To help Maryland homebuyers purchase, restore and modernize a home in Maryland. This fact sheet includes information and overlays specific to the FHA Limited 203(k) version of each MMP FHA product. The regular MMP fact sheet for each product type must still be followed. The MMP FHA Limited 203(k) product may be offered only by <u>US Bank-approved</u> 203(k) lenders. A lender can confirm their approval status by reaching out to lender.management@usbank.com .
DOWNPAYMENT AND CLOSING COST ASSISTANCE (DPA)	DPA is available with each MMP FHA loan type that includes MMP down payment assistance (not available with Direct products.)
MAXIMUM LOAN TO VALUE/COMBINED LOAN TO VALUE	LTV/CLTV requirements are the same as for the regular MMP FHA products.
MAXIMUM DEBT TO INCOME (DTI) RATIO	Follow the applicable FHA and US Bank guidelines for maximum DTI ratio.
PARTNER MATCH PROGRAM	Available for FHA Limited 203(k) versions of the 1 st Time Advantage 6000 and the FLEX 6000 products that have borrowers receiving assistance from participating Partner Match partners.
INTEREST RATE	Rates for the first mortgage will be published on the MMP Rates sheet and website. The FHA Limited 203(k) product rate is the same as the non-203(k) product for each loan type. (FHA = GOVERNMENT)
ELIGIBLE BORROWERS	<ul style="list-style-type: none">○ Borrowers must meet all eligibility requirements established for the Maryland Mortgage Program. For more information on MMP requirements, go online to Program Fact Sheets or browse the website at MMP Maryland.○ All Maryland Mortgage Program purchase products require homebuyers to take a Homebuyer Education class. (Homebuyer Education).
FIRST-TIME HOMEBUYER (FTHB) REQUIREMENT	The type of loan product determines whether the first-time homebuyer requirement applies. 1 st Time Advantage products require that the borrower(s) meet the FTHB definition; FLEX product users can be repeat homebuyers. In any case, the borrower(s) may not own other real property at closing.
OTHER	<ul style="list-style-type: none">○ All other rules relating to MMP loans apply except where specifically noted in this document; see the regular product fact sheet and the standard fact sheet at 30 Year Purchase Fact Sheet○ Manufactured Homes, Condos, and attached PUDs are not acceptable.○ In addition to MMP requirements, this product must meet all applicable overlays and requirements of US Bank and FHA.○ FHA Limited 203(k) loans will not be purchased by US Bank if the lender has not been approved by US Bank as a 203(k) lender.○ Questions relating to the MMP FHA Limited 203(k) loan product should be directed to: USB203kDisbursement@usbank.com

Disclaimer: The terms and conditions are subject to change until the lender locks the loan in Lender Online. A potential borrower should contact an approved lender for further loan information (see [MMP Maryland](#) for a list of approved lenders). In connection with the Maryland Mortgage Program, the Maryland Department of Housing & Community Development makes no promises, representations or warranties to any party, including any borrower, about the actual benefit a Maryland Mortgage loan might provide in specific situations. Each borrower's situation is different, and potential borrowers should seek the advice of a financial advisor, attorney or housing counselor before entering into any loan transaction.

For more information, please visit:

[MMP Maryland](#)

Single Family Housing - Community Development Administration
Maryland Department of Housing and Community Development
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