

February 27, 2024

DIRECTIVE 2024-01

TO: PARTICIPATING LENDERS
SUBJECT: LENDER MINIMUM ACTIVITY POLICY

In an effort to align with other housing finance agencies establishing lender performance standards, this Directive reiterates the Lender Minimum Activity Policy published in 2015. The Department chose to allow a grace period during the pandemic, but will be enforcing the policy effective the first quarter of 2024.

Under the Lender Minimum Activity Policy, lender activity will be assessed on a quarterly basis. Lenders not meeting the Lender Minimum Activity Level with an average of three loans purchased by the master servicer per quarter will be notified and offered training to help bring production up to the required level. A lender who does not meet the Lender Minimum Activity Level for two consecutive quarters will be removed from approved participating lender status and deactivated in the Lender Online system. New lenders will have a six-month grace period before the first quarterly assessment takes place.

If a lender would like CDA to reconsider a decision, they can send a letter stating their grounds for reconsideration to Single Family at singlefamilyhousing.dhcd@maryland.gov, and the request will be reviewed and decided on a case-by-case basis. Only one request for reconsideration will be granted; after that it will be 12 months before a lender can request to be re-approved and re-activated in the program, and additional documentation and training will be required at that time.

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

Thank you,

Kamili Jamal Brown

Operations Manager
Single Family Housing

