

August 17, 2023

DIRECTIVE 2023-11

TO: ALL PARTICIPATING LENDERS

SUBJECT: INCREASE TO CONVENTIONAL DEBT-TO-INCOME RATIO MAXIMUM

The Maryland Mortgage Program is hereby announcing an increase to the maximum debt-to-income (DTI) ratio for all conventional loans reserved on or after July 14, 2023. The Program will allow a maximum DTI of 50% if approved by the applicable Automated Underwriting System (AUS). This aligns with the change published by US Bank's Seller Guide Update SEL-2023-038. There is no change to the non-conventional DTI requirement. Previously the higher DTI was only allowed for loans where the borrower had a credit score at or above 680.

As always, the loan must meet the most restrictive guidelines of MMP, US Bank, and the insurer.

We appreciate your continued participation in our programs. If you have any questions concerning this Directive or suggestions for improvements, please email singlefamilyhousing.dhcd@maryland.gov.

Sincerely,

Maddy Ciulu

Director
Single Family Housing