

May 3, 2023

DIRECTIVE 2023-05

TO: ALL PARTICIPATING LENDERS

SUBJECT: THE MARYLAND MORTGAGE PROGRAM ANNOUNCES REMOVAL OF THE MINIMUM BORROWER CONTRIBUTION OVERLAY FOR THE SMARTBUY 3.0 PRODUCT

In Directive 2022-10, the Maryland Mortgage Program increased the maximum Loan to Value for the SmartBuy 3.0 Product from 95.00% LTV to 97.00% LTV. This change aligns SmartBuy 3.0 with our other conventional loan products. Effective immediately, we are removing the overlay for a minimum borrower contribution.

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

The updated SmartBuy 3.0 fact sheet is published with the other program fact sheets on our website: <https://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx>

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,

Karl Metzgar

Assistant Director / Operations Manager
Single Family Housing