



Maryland Department of Housing  
and Community Development

January 31, 2008

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GOVERNOR

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LT. GOVERNOR

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SECRETARY

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DEPUTY SECRETARY

Directive 2008-2

MEMORANDUM: ALL PARTICIPATING LENDERS

SUBJECT: INCREASE IN THE MAXIMUM LOAN AMOUNT FOR THE MATCHING PROGRAMS

The purpose of this Directive is to inform you of an increase in the maximum loan amount for the matching programs (House Keys 4 Employees, Builder/Developer Incentive Program and the Community Partners Incentive Program). For Maryland Mortgage Program (MMP) loans reserved on or after January 1, 2008 that did not close, the increases outlined in this directive will become effective. Information relating to these programs will be updated on the website and Lender On-Line.

### **MATCHING PROGRAMS**

In Directive 2007-13 dated November 27, 2007, the Maryland Department of Housing and Community Development (DHCD) reduced the maximum amount of the matching funds being provided by the State from \$5,000 to \$2,500 for the regular matching programs and from \$10,000 to \$5,000 for the Smart Keys 4 Employees and other special "double match" programs. The intent of those changes was to help DHCD more effectively manage its State-appropriated financing resources. However, in considering the impact this reduction may have on homebuyers that our partners were trying to assist, DHCD decided to revert back to providing matching funds up to the maximum amounts of \$5,000 for the regular matching programs or \$10,000 for Smart Keys 4 Employees and other "special "double match" programs. Lenders should determine if any loan that they reserved on or after January 1, 2008 would be impacted by this change and then submit an Attachment R to increase the matching funds up to the applicable limit. For example, if the participating HK4E employer contributed \$3,500 and the lender reserved a DSELP/HK4E loan in the amount of \$5,000, broken down as a \$2,500 DSELP loan and a \$2,500 HK4E loan (the old maximum for the HK4E Program), the lender should request an increase in the total DSELP/HK4E loan amount from \$5,000 to \$6,000 with it broken down as a \$2,500 DSELP and a \$3,500 HK4E on the Attachment R.

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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*

William J. Manahan

Assistant Director, Homeownership Programs

Single Family Housing