



Maryland Department of Housing and Community Development

Robert L. Ehrlich, Jr.
GOVERNOR

Michael S. Steele
LT. GOVERNOR

Shawn S. Karimian
ACTING SECRETARY

November 2, 2006

Directive 2006-16

MEMORANDUM: ALL PARTICIPATING LENDERS

SUBJECT: "October Homeownership Sale" Interest Rate Reduction Special Ending Soon

The purpose of this Directive is to inform you of the impending end of the "Interest Rate Reduction - October Homeownership Sale" at which time the More House 4 Less interest rates will revert to the pre-sale rates. The interest rates outlined below will be **effective for any loan reserved after Friday, November 10, 2006**. Since November 10, 2006 is a State holiday and November 11, 2006 is a Saturday, the interest rates will be updated on our website and Lender On-Line on Thursday, November 9, 2006; however, any loan reserved through November 10th at the higher interest rate will have its interest rate adjusted to the reduced rate. This Directive will be uploaded to our website (under [LENDERS ONLY/Single Family Housing Directives](#)) and also to Lender On-Line (under [Program Documents/Single Family Housing Directives](#)).

For our 30-year and 7/23, 5/30 and 7/33 interest-only fixed rate mortgage products, the "new" interest rates are:

3 POINT	2 POINT	1 POINT	0 POINT	0 POINT + 2% GRANT	0 POINT + 3% GRANT
5.500%	5.750%	6.000%	6.250%	6.625%	6.750%

For our 40-year fixed rate mortgage products, the "new" interest rates are:

3 POINT	2 POINT	1 POINT	0 POINT	0 POINT + 2% GRANT	0 POINT + 3% GRANT
5.625%	5.875%	6.125%	6.375%	6.750%	6.875%

For our interest-only fixed rate mortgage products **with LPML**, the "new" interest rates are:

3 POINT	2 POINT	1 POINT	0 POINT
6.000%*/5.750%**	6.250%*/6.000%**	6.500%*/6.250%**	6.750%*/6.500%**

*interest rate during interest only period

**interest rate during the remaining term of the loan

Please note: if the update of the "new" interest rates fails, any loan reserved after Friday, November 10, 2006 will have its interest rate changed to the applicable "new" interest rate.

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As always, we appreciate your continued participation in CDA's programs. 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.

Sincerely,

William J. Manahan

William J. Manahan

Assistant Director

Single Family Housing