



Maryland Department of Housing
and Community Development

Martin O'Malley
GOVERNOR

Anthony G. Brown
LT. GOVERNOR

Raymond A. Skinner
SECRETARY

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DEPUTY SECRETARY

April 27, 2007

Directive 2007-7

MEMORANDUM: ALL PARTICIPATING LENDERS

SUBJECT: INTEREST RATE INCREASES

The purpose of this Directive is to inform you of the impending interest rate increases. The interest rate increases outlined below will be effective for any loan reserved on or after Monday, April 30, 2007. The interest rates for the interest-only products are increasing 1/4% and the 40 year products are increasing 1/8%. The interest rates for the 30-year and Lifeline Refinance products are **not changing**. The interest rates will be updated on our website and Lender On-Line. 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).

3 points	2 points	1 point	0 points	2% grant (0 points)	3% grant (0 points)
30-year amortizing					
5.50%	5.75%	6.00%	6.25%	6.375%	6.50%
40-year amortizing					
5.75%	6.00%	6.25%	6.50%	6.625%	6.750%
Interest-Only Loans* (5/30, 7/23, 7/33)					
5.75%	6.00%	6.25%	6.50%	6.625%	6.750%

* for loans with Lender Paid Mortgage Insurance (LPMI), the interest rate is 1/2% higher than posted "Interest-Only Loans" rates during interest-only period; rate is reduced 1/4% when loan begins to amortize.

100 Community Place
Crownsville, MD 21032

TOLL FREE 1-800-638-7781
TTY/RELAY 711 or 1-800-735-2258
WEB www.mdhousing.org



Please note: Any loan reserved on Monday, April 30, 2007 prior to the interest rates being updated will have its interest rate changed to the applicable “new” interest rate.

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.

Sincerely,

William J. Manahan

William J. Manahan
Assistant Director
Single Family Housing