



Maryland Department of Housing
and Community Development

Martin O'Malley
GOVERNOR

Anthony G. Brown
LT. GOVERNOR

Raymond A. Skinner
SECRETARY

Clarence J. Snuggs
DEPUTY SECRETARY

May 2, 2008

Directive 2008-11

MEMORANDUM: ALL PARTICIPATING LENDERS

SUBJECT: WAIVING DEFAULT AS A REASON NOT TO PURCHASE A HOMESAVER
LOAN

The purpose of this Directive is to inform you that effective for loans reserved on or after February 22, 2008, the inception date of the Homesaver Refinance Mortgage Program (Homesaver), CDA will not deny a purchase of a Homesaver loan because the loan is 20 days or more past due and unpaid as of the anticipated purchase date or was ever 45 days in arrears prior to this date. In addition, CDA will not require the repurchase of a Homesaver loan if the loan was purchased prior to the due date of the first payment and the first payment was more than 20 days past due. This Directive and the updated Lender's Manual and Attachments L and Q will be uploaded to the website and Lender On-Line.

Please note: At the end of 90 days, we'll re-evaluate this policy to determine if any revisions are necessary.

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, Homeownership Programs
Single Family Housing

COMMUNITY DEVELOPMENT
ADMINISTRATION
DIVISION OF DEVELOPMENT FINANCE
100 Community Place
Crownsville, MD 21032

PHONE 410-514-7400
TOLL FREE 1-800-756-0119
TTY/RELAY 711 or 1-800-735-2258
WEB www.mdhousing.org

