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July 3, 2008

Directive 2008-19

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 go into effect today -- Thursday, July 3, 2008 at 5:00 p.m. The interest rates for all the Maryland Mortgage Program products are increasing 3/8%. The interest rates for the Lifeline Refinance Mortgage Program products are increasing by 1/4% for 30-year amortizing loans and 3/8% for 40-year amortizing loans and the Homesaver Refinance Mortgage Program products are increasing by 1/2% for 30-year amortizing loans and 5/8% for 40-year amortizing loans. 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)
<b>30-year amortizing</b>					
5.875%	6.000%	6.125%	6.250%	6.750%	7.000%
<b>40-year amortizing</b>					
6.125%	6.250%	6.375%	6.500%	7.000%	7.250%
<b>Interest-Only Loans (5/30, 7/33)</b>					
6.125%	6.250%	6.375%	6.500%	7.000%	7.250%

<b>LENDER PAID MORTGAGE INSURANCE (LPMI)</b>					
<b>Interest-Only Loans (5/30, 7/33)</b>					
6.625%	6.750%	6.875%	7.000%	7.500%	7.750%

*For loans with Lender Paid Mortgage Insurance (LPMI), the interest rate reflected above is reduced 1/4% when loan enters amortization period.*

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2 points	0 points
<b>Lifeline Refinance Mortgage Program</b>	
<b>30-year amortizing</b>	
7.000%	7.250%
<b>40-year amortizing</b>	
7.125%	7.375%
<b>Homesaver Refinance Mortgage Program</b>	
<b>30-year amortizing</b>	
7.250%	7.500%
<b>40-year amortizing</b>	
7.375%	7.625%

Please note: if for some reason the update to the Lender-on-Line reservation system is unable to be implemented by the planned time, any reservations that come in after that time will be adjusted (assigned the correct/new interest rate) by Single Family.

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  
Single Family Housing