



Maryland Department of Housing
and Community Development

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April 25, 2008

Directive 2008-7

MEMORANDUM: ALL PARTICIPATING LENDERS

SUBJECT: NEW INCOME AND PURCHASE PRICE LIMITS FOR 2008

The purpose of this Directive is to inform you that the new Income and Purchase Price Limits for 2008 became effective for the Maryland Mortgage Program, Lifeline Refinance Mortgage Program (Lifeline) and Homesaver Refinance Mortgage Program (Homesaver) loans reserved on or after April 1, 2008. This **Directive** will be uploaded to our morehouse4less.com website (under Lenders Only/Single Family Housing Directives) and also to Lender On-Line (under Program Documents/Single Family Housing Directives).

New Income and Purchase Price Limits for 2008

In 2008, the Non-Targeted Areas of the Baltimore-Towson MSA (the counties of Anne Arundel, Baltimore, Carroll, Harford, Howard and Queen Anne's) were considered "high cost housing areas" and their Income Limits were increased accordingly. The remaining 18 counties also had their Income Limits increased. In addition, Maximum Acquisition Costs were increased in four counties – the counties of St. Mary's, Somerset, Washington and Wicomico. The Income Limits and Maximum Acquisition Costs chart is enclosed. The "Income and Purchase Price Limits" chart will also be uploaded to our morehouse4less.com website under <http://www.morehouse4less.com/incomes.aspx> and Lender On-Line (under Program Documents/Income and Purchase Price Limits).

Please note: Under the Economic Stimulus Act of 2008, the **FHA Maximum Mortgage Amounts** were temporarily increased. In some instances these limits exceeded the Maximum Acquisition Costs for a jurisdiction and therefore, we capped the FHA Maximum Mortgage Amounts at the Non-Targeted/Targeted Area Maximum Acquisition Cost for the applicable jurisdiction. The new FHA Maximum Mortgage Amounts are effective for mortgages endorsed for insurance on or after March 6, 2008 and remain in effect for those mortgages for which the mortgagee has issued credit approval for the borrower on or before December 31, 2008. These new limits are included on the Income Limits and Maximum Acquisition Costs chart that is enclosed and will also be uploaded to our More House 4 Less and Lifeline website and Lender On-line.

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
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Enclosure: Income Limits and Maximum Acquisition Costs chart



COUNTIES & CITY	Household Size	INCOME LIMITS [^]		MAXIMUM ACQUISITION COSTS	
		Non-Targeted	Targeted	(Newly Constructed & Existing Homes)	
		Non-Targeted	Targeted	Non-Targeted	Targeted
Allegany County*	1 or 2		\$98,040		
	3 or more		\$114,380		\$289,705
Anne Arundel County+	1 or 2	\$93,840	\$98,040		
	3 or more	\$108,698	\$114,380	\$429,620	\$525,091
Baltimore City*	1 or 2		\$98,040		
	3 or more		\$114,380		\$525,091
Baltimore County+	1 or 2	\$93,840	\$98,040		
	3 or more	\$108,698	\$114,380	\$429,620	\$525,091
Calvert County	1 or 2	\$99,000			
	3 or more	\$113,850		\$429,620	
Caroline County*	1 or 2		\$98,040		
	3 or more		\$114,380		\$289,705
Carroll County	1 or 2	\$93,840			
	3 or more	\$108,698		\$429,620	
Cecil County	1 or 2	\$81,700			
	3 or more	\$93,955		\$346,601	
Charles County	1 or 2	\$99,000			
	3 or more	\$113,850		\$429,620	
Dorchester County*	1 or 2		\$98,040		
	3 or more		\$114,380		\$289,705
Frederick County+	1 or 2	\$99,000	\$118,800		
	3 or more	\$113,850	\$138,600	\$429,620	\$525,091
Garrett County*	1 or 2		\$98,040		
	3 or more		\$114,380		\$481,250
Harford County+	1 or 2	\$93,840	\$98,040		
	3 or more	\$108,698	\$114,380	\$429,620	\$525,091
	1 or 2	\$93,840			

Howard County				\$429,620	
	3 or more	\$108,698			
	1 or 2		\$98,040		
Kent County*					\$359,798
	3 or more		\$114,380		
	1 or 2	\$99,000			
Montgomery County				\$429,620	
	3 or more	\$113,850			
	1 or 2	\$99,000	\$118,800		
Prince George's County+				\$429,620	\$525,091
	3 or more	\$113,850	\$138,600		
	1 or 2	\$93,840			
Queen Anne's County				\$429,620	
	3 or more	\$108,698			
	1 or 2	\$82,100			
St. Mary's County				\$343,125	
	3 or more	\$94,415			
	1 or 2		\$98,040		
Somerset County*					\$361,611
	3 or more		\$114,380		
	1 or 2	\$81,700			
Talbot County				\$334,125	
	3 or more	\$93,955			
	1 or 2	\$81,700	\$98,040		
Washington County+				\$339,750	\$415,250
	3 or more	\$93,955	\$114,380		
	1 or 2	\$81,700	\$98,040		
Wicomico County+				\$295,863	\$361,611
	3 or more	\$93,955	\$114,380		
	1 or 2	\$81,700	\$98,040		
Worcester County+				\$393,749	\$481,249
	3 or more	\$93,955	\$114,380		

^ Income limits for an RHS-guaranteed loan are the LESSER of the More House 4 Less Program Income Limits referenced above or the RHS Guaranteed Housing Program Income Limits

* The entire jurisdiction is targeted – buyers do not have to be first-time home buyers

+ Contains certain targeted census tracts (refer to Targeted Areas) in which buyers do not have to be first-time home buyers

Please note: newly constructed homes must be in a Priority Funding Area

FHA Maximum Mortgage Amounts*

COUNTY	AMOUNT
Allegany County	\$271,050
Anne Arundel County	\$525,091**
Baltimore City	\$525,091
Baltimore County	\$525,091**
Calvert County	\$429,620
Caroline County	\$271,050
Carroll County	\$429,620
Cecil County	\$346,601
Charles County	\$429,620
Dorchester County	\$271,050
Frederick County	\$525,091**

Garrett County	\$437,500
Harford County	\$525,091**
Howard County	\$429,620
Kent County	\$343,750
Montgomery County	\$429,620
Prince George's County	\$525,091**
Queen Anne's County	\$429,620
St. Mary's County	\$343,125
Somerset County	\$328,750
Talbot County	\$334,125
Washington County	\$377,500**
Wicomico County	\$328,750**

Worcester County	\$437,500**

*These are temporary limits as a result of the Economic Stimulus Act of 2008, capped at the Maximum Acquisition Cost for the applicable jurisdiction. They are effective for mortgages endorsed for insurance on or after March 6, 2008 and remain in effect for those mortgages for which the mortgagee has issued credit approval for the borrower on or before December 31, 2008.

**Please note: These are the Targeted Area limits – the Non-Targeted Area limits are capped at the Maximum Acquisition Costs for a Non-Targeted Area for the applicable jurisdiction.