date is to increase the supply of housing for families of limited income, and for the elderly and the handicapped, as well as to foster sound community development and to stimulate the construction industry statewide. Programs are funded by the sale of tax-exempt revenue bonds and construction loans notes, and State general obligation bonds, and by federal housing subsidies.

Projects proposed for financial assistance must be consistent with local priorities and complement and supplement local community development programs and initiatives. Projects must meet eligibility criteria and financing requirements, and income limits are established as the guideline for persons served (Code 1957, Art. 41, secs. 257L, 266DD-1 to 266DD-8 and 266FF-1 to 266FF-4).

Single-Family Programs. Thc Maryland Homc Financing Program (MHFP) is the oldest of the three single-family programs supervised by the Administration. The program was authorized by the General Assembly in 1972 and first funded with the sale of State General Obligation Bonds in 1973. This direct-loan program expands homeownership opportunities for low income Marylanders. It differs from the other single-family programs by virtue of its funding source: General Obligation Bonds and appropriations, and a revolving fund from prior loans under the program. MHFP is administered through outreach agents located in each major political subdivision in the State. Loans have been made in every county and the City of Baltimore (Code 1957, Art. 41, sec. 266FF; Code Financial Institutions Article, sec. 13–310).

The Homeownership Development Program (HDP), like the Maryland Home Financing Program, is a direct loan program. First funded in April 1979, it is the only single-family program geared to stimulate new housing construction. HDP is funded through the sale of tax-exempt revenue bonds. Funds are designated for newly constructed homes in approved subdivisions. Only a portion—an average of 31 percent—of the homes in each subdivision are assigned for CDA financing. The rest must use private financing. In this way an income mix is achieved in the development.

Using the guidelines of the Mortgage Subsidy Bond Tax Act of 1980, the Administration sets maximum income limits for participants in the Homeownership Development Program. Sales price limits are also set by CDA. They are based on both affordability within the income limits and the interest rate for the revenue bonds. Loans are given on a first-come, first-served basis (Code 1957, Art. 41, sec. 266DD).

Established in 1980, the Mortgage Purchase Program (MPP) was implemented in response to dwindling mortgage funds available through private lending institutions and rising mortgage rates. The MPP is the only single-family program that makes mortgage loans through participating lending institutions. In this program, CDA purchases loans made by lending institutions to eligible low and moderate-income persons.

Both newly constructed and existing homes are eligible under the Mortgage Purchase Program. MPP is designed primarily for first-time homebuyers. Applications for loans are made to a participating mortgage lender.

Recently, federal law designated targeted, generally low-income areas for which 20 percent of the funds from bond issues must be set aside. In these areas, purchase price limits are slightly higher and buyers are not required to be first-time home buyers.

The Mortgage Purchase Program is funded by the sale of tax-exempt revenue bonds. Both the acquisition cost and income limits are set by CDA using the guidelines of the Mortgage Subsidy Bond Tax Act of 1980. Acquisition costs vary by region.

Multi-Family Program. The Multi-Family Program began in 1974. It makes three types of financing available to non-profit and limited dividend developers of multi-family rental housing: construction loans, permanent financing, and combined permanent financing and construction loans.

Financing of multi-family housing developments is provided through the sale of tax-exempt revenue bonds and construction loan notes. The multi-family developments are targeted for families and elderly persons with limited incomes. In addition to tax-exempt financing through the State, developments financed under this program may receive rent subsidies, when available, under the federal government's Section 8 Program.

The Multi-Family Program accounts for roughly 60 percent of the housing financed by CDA.

Home Improvement Programs. The Maryland Housing Rehabilitation Program (MHRP) is designed to preserve the State's stock of existing housing by making direct, low-interest loans available to limited-income homeowners for use in repair and renovation. MHRP also makes direct loans available to the owners of apartment buildings of up to twenty units and commercial properties. Under the requirements of the program, recipients of loans for the renovation of