

The *Home and Energy Loans Program—Multi-Family (HELP—MF)* provides loans for energy conservation, home improvements, and general rehabilitation of multifamily rental housing. Loans are made directly through the Community Development Administration for rental housing with one or more units. Funds are generated by the sale of mortgage revenue bonds and taxable bonds. In multifamily developments, a certain percentage of units must be rented to limited-income families.

Created by the legislature in 1984, the *Elderly Rental Housing Program (ERHP)* provides below-market-rate or deferred payment loans to developers who agree to construct or rehabilitate rental housing for occupancy by low-income elderly households. Priority is given to developments that serve the lowest income households.

The *Nonprofit Rehabilitation Program (NRP)* was formed by the General Assembly in 1986. The Program makes loans to nonprofit organizations and local governments to rehabilitate buildings for rental housing, congregate housing, group homes, shelters, and other housing facilities that serve low-income households.

The *Partnership Rental Housing Program (PRHP)* was authorized by the General Assembly in 1988 as a two-year pilot program to expand the supply of affordable housing for the working poor. The Program was established by statute in 1990 (Chapter 343, Acts of 1990). In a partnership, local governments provide the finished site, including roads, water, sewer, and other infrastructure, while the Community Development Administration provides construction and permanent financing for rental housing units.

The *Construction Loan Program (CLP)* was created in 1987 with Community Development Administration reserve funds to provide construction financing to nonprofit organizations and local governments to acquire, build, or rehabilitate single-family owned homes, multifamily rental housing, congregate housing, group homes, and sheltered housing. Housing developed under the Program must be rented or sold to low- and moderate-income persons.

Established in January 1990, the *Shelter I Program* encourages nonprofit organizations, such as churches and community groups, to take the initiative in sponsoring their initial small housing project for low-income families or individuals. The Program supplies technical assistance and preferred interest rate loans from the programs listed above.

The *Low-Income Housing Tax Credit Program* was designated by the Governor to allocate tax credits in Maryland under the federal Tax Reform Act of 1986 and Revenue Reconciliation Act of 1989. Tax credits are awarded through a competitive alloca-

tion to both nonprofit and for-profit sponsors of low-income housing.

HOME OWNERSHIP PROGRAMS

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The *Maryland Mortgage Program (MMP)* originated in 1980 as the Mortgage Purchase Program and received its present name in July 1987. The Program was implemented when mortgage funds available through private lending institutions dwindled and mortgage rates rose. The MMP provides reduced-interest mortgage loans to eligible home buyers through participating lending institutions. In this program, the Administration provides mortgage loans directly to eligible low- and moderate-income persons or purchases loans made for them by participating lending institutions.

Both newly constructed and existing homes are eligible under the Maryland Mortgage Program. MMP is designed primarily for first-time home buyers.

Federal law designates certain low-income areas as target 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 Maryland Mortgage Program is funded by the sale of tax-exempt revenue bonds. Both the acquisition cost and income limits are set by the Administration within federal tax law guidelines. Acquisition costs vary by region.

Using Maryland Mortgage Program funds, the Administration provides commitments to developers of newly constructed or substantially rehabilitated units for set-asides of mortgage funds for eligible buyers. Projects must have approval from the local government entity. To be eligible, project units must meet the acquisition cost limit for the region.

The *Maryland Home Financing Program (MHFP)* 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 home ownership opportunities for low-income Marylanders. By virtue of its funding source—general obligation bonds and appropriations, and a revolving fund from prior loans under the Program—it differs from the other single-family programs. Loans have been made in every county and Baltimore City (Code 1957, Art. 83B, secs. 2-401 through 2-409; Code Financial Institutions Article, sec. 13-310).

MHFP also stimulates the production and rehabilitation of owner-occupied housing by providing below market loans targeted at households with income less than \$24,300 per year. The Administration encourages local governments