

7. Loans and Notes Receivable:

Loans and notes receivable, as of June 30, 1988, consisted of the following (amounts expressed in thousands):

| | Funds | | | | Higher Education |
|--|---------|--------------|------------------|-------------|------------------|
| | General | Debt Service | Capital Projects | Enterprise | |
| Notes receivable for advances of general obligation bond proceeds: | | | | | |
| Political subdivisions: | | | | | |
| Public school construction | | \$10,813 | | | |
| Other | | 18,100 | | | |
| Hospitals and nursing homes | | 33,594 | | | |
| Permanent mortgage loans | | | | \$1,187,872 | |
| Savings and loan association loans | | | | 19,166 | |
| National direct student loans | | | | | \$29,360 |
| Health profession loans | | | | | 6,581 |
| Shore erosion loans | | | \$13,072 | | |
| Other | \$3,309 | 1,075 | | 374 | 2,062 |
| | 3,309 | 63,582 | 13,072 | 1,207,412 | 38,003 |
| Less allowance for possible loan losses | | 1,178 | | | 7,194 |
| Loans and notes receivable, net | \$3,309 | \$62,404 | \$13,072 | \$1,207,412 | \$30,809 |

Notes receivable for advances of general obligation bond proceeds bear interest at rates ranging from 3% to 11.1% and mature over the next 30 years. Notes receivable maturing after fiscal year 2003 in the amount of \$17,518,000 are deemed to be not available for debt service because all related general obligation bonds are scheduled to be retired by that date. Accordingly, the amount has been reflected as a reservation of debt service fund balance. Such amounts will become available to fund debt service when the due date of the outstanding amounts becomes equal to or less than the maturity dates of general long-term debt.

Savings and loan association loans are purchased from or made to member associations of the Maryland Deposit Insurance Fund Corporation (see Note 15).

National direct student loans and health profession loans are made pursuant to student loan programs funded through the U. S. Government.

8. Property, Plant and Equipment:

Property, plant and equipment, as of June 30, 1988, consisted of the following (amounts expressed in thousands):

Enterprise Funds:

| | Depreciable Assets | Non-depreciable Assets |
|--|--------------------|------------------------|
| Land and improvements (includes land being held for sale of \$2,059) | | \$ 8,127 |
| Structure and improvements | \$31,108 | 1,731,780 |
| Equipment | 27,085 | 496 |
| | 58,193 | 1,740,403 |
| Less accumulated depreciation | 33,315 | |
| Total | \$24,878 | \$1,740,403 |

Nonexpendable Trust Fund:

| | |
|--|----------|
| Land | \$ 164 |
| Equipment, net of accumulated depreciation of \$694 .. | 1,838 |
| Total | \$ 2,002 |