

B. Enterprise Funds:

Maryland Housing Fund (Fund):

Notes Payable:

The Fund, an agency of the Department of Housing and Community Development, has issued a promissory note to the Community Development Administration in settlement of a multi-family claim for loss in return for the Community Development Administration's assignment to the Fund of all its rights and remedies under the mortgage note, the deed of trust and all other agreements, certificates and guarantees related to the loan for which the insurance claim has been made. As of June 30, 1989 the necessary documents evidencing this agreement had not been signed by either party. It is the intent of the Fund and the Community Development Administration to execute the documents in the future and for such documents to be retroactive to prior to June 30, 1986. In May, 1989, the Secretary of the Department of Housing and Community Development issued a letter stating the willingness to refinance the project at an annual rate of 7.8% per annum amortized over thirty years effective as of September 1, 1987 and an annual rate of 7% per annum effective June 1, 1989. The balance is due and payable in full by March 31, 2006. The balance at June 30, 1989 is \$1,658,000.

Community Development Administration (Administration):

Revenue Bonds:

The Administration, an agency of the Department of Housing and Community Development, has issued revenue bonds, the proceeds of which were used to provide funds for its various mortgage loan programs. Assets aggregating approximately \$1,854,538,000 and revenues of each mortgage loan program are pledged as collateral for the revenue bonds. Interest rates range from 4.4% to 14% and the bonds mature serially through May 15, 2031. The balance at June 30, 1989 is \$1,681,468,000.

Substantially all bonds are subject to redemption provisions at the option of the Administration. Redemptions are permitted at rates ranging from 100% to 103% of outstanding principal amount.

Subsequent to June 30, 1989, the Administration issued \$80,969,000 of revenue bonds.

Maryland Food Center Authority (Authority):

Loans from Other Funds:

In 1970, the Board of Public Works loaned to the Authority, \$4,000,000 which was obtained from the issuance of general obligation bonds of the State. The Authority is obligated to pay interest and principal on these bonds after all principal and interest has been repaid on any revenue bonds which may be issued by the Authority.

In 1969, the State issued bonds to provide \$5,000,000 for a construction loan to the Authority. Repayment to the Board of Public Works will consist of principal and interest payments which began in 1984 and will conclude in 1996.

Total principal due to the State is summarized as follows (amounts expressed in thousands):

Greater Baltimore Regional Consolidated Wholesale Food Market Loan of 1967	\$5,577
General Construction Loan	3,457
Debt assumed from New Marsh Wholesale Produce Market	795
	<u>\$9,829</u>

Revenue Bonds:

On July 27, 1988, the Board of Public Works, with the approval of the Authority's Board of Directors, gave its approval for the purchase of the Maryland Wholesale Seafood Market. On July 28, 1988, the agreement of sale was executed and the transaction completed. The Authority has assumed the existing debt of the seller, a revenue bond bearing interest at the annual rate of 10 5/8% per annum, maturing December 15, 2013 and due in semi-annual installments of \$278,000 each. The balance at June 30, 1989 is \$4,820,000.