

Water quality project loans consist of loans to various local governments and other governmental entities in the State for wastewater projects under the United States Environmental Protection Agency's (EPA) Capitalization Grants for State Revolving Funds federal assistance program.

The permanent mortgage loans consist of financing for single and multi-family projects, rental projects, small businesses, industrial sites and various other purposes.

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

*B. Investment in Direct Financing Leases:*

As of June 30, 1999, the Maryland Environmental Service (Service) has direct financing leases with the State of Maryland. The present value of the direct financing leases as of June 30, 1999, is \$9,924,000. As of June 30, 1999, the Service held \$4,150,000 to be spent to complete assets under these direct financing leases. Lease payments receivable (including unearned interest) for each of the five succeeding fiscal years and thereafter, including repayment of amounts to be spent, consist of the following (expressed in thousands).

2000.....	\$1,935
2001.....	1,941
2002.....	1,804
2003.....	1,649
2004.....	1,550
2005 and thereafter .....	10,950
Total .....	19,829
Less: Unearned interest income .....	5,755
	14,074
Restricted investments related to unexpended bond proceeds .....	4,150
Net investments in direct financing leases .....	\$9,924

As of June 30, 1999, the Maryland Stadium Authority (Authority) has direct financing leases with the State of Maryland. The present value of the direct financing leases as of June 30, 1999, is \$300,389,000. As of June 30, 1999, the Authority held \$271,000, to be spent to complete assets under these direct financing leases. Lease payments receivable (including unearned interest) for each of the five succeeding fiscal years and thereafter, including repayment of amounts to be spent, consist of the following (expressed in thousands).

2000.....	\$ 21,560
2001.....	26,206
2002.....	26,191
2003.....	26,168
2004.....	27,010
2005 and thereafter .....	433,139
Total .....	560,274
Less: Unearned interest income .....	259,614
	300,660
Restricted investments related to unexpended bond proceeds .....	271
Net investments in direct financing leases .....	\$300,389

**8. Property, Plant And Equipment:**

*A. Enterprise Funds:*

Property, plant and equipment of the Enterprise funds, as of June 30, 1999, consists of the following (amounts expressed in thousands).

Structure and improvements .....	\$ 914
Equipment .....	27,967
	28,881
Less: Accumulated depreciation .....	21,889
Total .....	\$ 6,992