

~~(2)~~ (3) An applicant shall have a gross income less than \$8,000 per year from all sources in the household OF SUCH AMOUNT THAT HE CANNOT REASONABLY SECURE A MORTGAGE AT EXISTING PRIVATE LENDING RATES AND HAS BEEN REJECTED FOR A MORTGAGE BY AT LEAST TWO LEADING LENDING INSTITUTIONS. Each application for a loan shall be accompanied by an income tax return for the past calendar year, said return being a certified copy obtained from the Comptroller's office.

~~(3)~~ (4) An applicant shall have been a resident of the State of Maryland for more than seven ~~(7)~~ THREE (3) years prior to date of application, AND SHALL NOT OWN REAL PROPERTY OTHER THAN A DWELLING UNIT IN WHICH THE APPLICANT RESIDES OR LOT UPON WHICH THE APPLICANT INTENDS TO BUILD A DWELLING UNIT AT THE TIME OF APPLICATION.

(c) Mortgages or deeds of trust held as security for loans made under this ~~article~~ SUBHEADING which are in default may be foreclosed by the ~~Authority~~ DIVISION in the same manner as provided by statute and the Maryland Rules of Procedure for foreclosures in private transactions. The ~~Authority~~ may employ outside counsel on a contractual basis to prosecute such foreclosures, and the ~~Authority~~ DIVISION is authorized to take title in its name to any such property foreclosed, as well as to convey title to such property to bona fide purchasers thereof.

(d) Any property mortgaged under this ~~article~~ SUBHEADING may be transferred. However, should the transferee fail to qualify under subsection (b) of this section, the mortgage in effect shall be terminated upon the transfer of the property, and any monies due under the mortgage shall be repaid to the ~~Authority~~ DIVISION.

§ 266FF-3.

(a) The ~~Authority~~ DIVISION has the following additional powers and authority:

(1) To have perpetual succession, and to sue or be sued in its own name and plead and be impleaded.

(2) To adopt an official seal and alter the same at its pleasure.

(3) To adopt, promulgate, amend, and repeal by-laws for the regulation of its affairs and the conduct of its business.

(4) To maintain offices at such place or places within the State as it determines.

(5) To employ such employees as are necessary for the conduct of its business. All full-time employees except the Executive Director are subject generally to the provisions and restrictions of Article 64A of the ~~Annotated Code of Maryland~~ THIS CODE, title "Merit System," and also to the rights and benefits of Article 73B of the Code, title "Pensions."

§ 266FF-4.

(A) THE DIVISION WILL UTILIZE FEDERAL PROGRAMS TO THE MAXIMUM EXTENT POSSIBLE.