

MONTGOMERY COUNTY

obsolescence and to prevent their recurrence.

(a) Construction to be carried out under this program shall be only that necessary to bring the property into full compliance with all applicable state and county statutes, codes and ordinances. Construction shall be limited to facilities reasonably necessary to accommodate the present occupancy and usage.

(b) The purpose of construction is to eliminate existing conditions of deterioration or obsolescence and to prevent their recurrence. All construction shall be carried out in a workmanlike manner and be of such quality as to be durable and long lasting and in compliance with applicable state and county statutes, codes and ordinances.

(c) In the case of a new home replacing a trailer coach, the trailer coach must be removed from the property within 30 days of completion of the house unless the trailer coach can be situated on the property in compliance with all applicable state and county statutes, codes and ordinances.

Sec. 3. Section 56-5, title "Financing requirements," of Chapter 56, title "Urban Renewal and Community Development," of the Montgomery County Code 1972, as amended, be and it is hereby repealed and re-enacted, with amendments, to read as follows:

56-5. Financing requirements.

The loan proceeds available under this program shall be limited to those cases where the property owners' income and net worth precludes home construction financing through normal banking or other financial channels. Where loans are made available from the homeowners' construction loan fund, they shall be subject to the following requirements and limitations:

(a) Loans shall be made only to property owners whose family income meets the eligibility limits for continued occupancy of low-rent public housing, as these limits are established from time to time by the housing authority of the county.

(b) Loans shall carry an interest rate of from one to three percent per annum. Repayment provisions shall be based upon the financial circumstances of the individual property owner. In determining the initial rate of interest the property owner shall not be expected to allocate, based on a loan term of forty-five years, more than twenty-five percent of his family gross income to the monthly costs of shelter (principal, interest,