

266DD-4.

The Administration shall have the following functions and responsibilities:

(13) In accordance with the provisions of § 266DD-5, make, purchase, and participate in making mortgage loans for any community development project, secured by a mortgage lien, including temporary loans or advances[,] AND permanent direct mortgage loans to families OF LIMITED INCOMES for the purchase of dwelling units in a community development project, and undertake commitments therefor. In this subtitle, "mortgage loans" includes loans to finance or refinance purchases of stock or membership or to rehabilitate units in a cooperative ownership housing corporation. Any commitment, mortgage or bonds or notes secured shall contain terms and conditions necessary to secure repayment of its loan, the interest thereon and other charges in connection with the loan. Mortgage loans for a community development project may bear interest at any rate or rates which the Administration determines will make the community development project economically feasible, except that the Administration may not increase the rate of interest originally charged on a permanent direct mortgage loan to a family for the purchase of a dwelling unit in a community development project. [However, the interest rate or rates and other terms of mortgage loans financed from the proceeds of bonds or notes shall be at least sufficient to assure the payment in full of the bonds or notes and the interest thereon as they become due, except as otherwise provided in a trust agreement, in the case of mortgage loans to a municipality, county, local public agency or local development corporation or nonprofit entity where other revenues are available to assure payment of the bonds or notes.] Subject to the provisions of any contract with noteholders or bondholders, consent to the modification, with respect to rate of interest, time of payments of any installment of principal or interest, security, or any other term, of any mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which the Administration is a party. In connection with any property on which it holds a mortgage loan, to foreclose on the property or commence any action to protect or enforce any right conferred upon it by any law, mortgage contract or other agreement, and to bid for and purchase the property at any foreclosure or at any other sale, or acquire or take possession of the property; and in the event the Administration may complete, administer, pay the principal of and interest on any obligations incurred in connection with the property, dispose of, and otherwise deal with the property, in a manner as may be necessary or desirable to protect the interests of the Administration. Any lien held by the Administration on property shall be a lien superior to all other liens on the property except liens for taxes owed to the State of Maryland or any subdivision thereof and earlier mortgage liens. The Administration may sell any mortgage or other obligation held by it, at public or private sale, with or without public bidding. The Administration may purchase securities backed by mortgage loans for community development projects.