

BY repealing and reenacting, without amendments,

Article - Financial Institutions
Section 13-305
Annotated Code of Maryland
(1980 Volume and 1983 Supplement)

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Section 13-307
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SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 41 - Governor - Executive and Administrative
Departments

257L.

(c) The Maryland Housing Rehabilitation Program is created. Except as otherwise specifically provided, the provisions of this subsection shall not apply to migratory housing facilities loans.

(1) The Department shall operate the program, and make rehabilitation loans from the fund under the provisions of this section.

(6) (I) Loans may not exceed an amount the Secretary shall establish by regulation and they may not be made where comparable private financing is available to the prospective borrowers. Loans over \$5,000 shall be secured by a recorded mortgage or deed of trust on the property. Loans shall be made from the fund to families of limited income owning and occupying the building to be rehabilitated, or to sponsors. Loans may be either insured or uninsured as the Department requires-7--and.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, LOANS shall be at a rate of interest that is, as long as the State complies with any applicable federal treasury regulations governing the borrowing of moneys by the State[:

(i) At] AT least sufficient to cover:

-f-1.-}--{f} All administrative and other expenses of the program; AND

-f-2.-}---{f} Reasonably expected losses due to defaults on loans-f-; and