

The Department shall manage and supervise the Maryland Housing Fund. [The] A fund shall be deposited with the State Treasurer to be held in such banks as he deems proper and shall be accounted for by the State Comptroller in a special account known as the "Maryland Housing Fund". [The] THIS fund shall be invested and reinvested in the same manner as other State funds. [The] THESE funds shall be used to insure mortgages accepted by the Department under the provisions of this subtitle, or to insure bonds or notes issued to finance any project that is eligible for insurance under the provisions of this subtitle. [The] THIS fund shall be managed in a manner which maximizes assistance to local jurisdictions in insuring mortgages under the provisions of this section.

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The Department, IN ITS OWN NAME OR IN THE NAME OF THE MARYLAND HOUSING FUND, may insure upon such terms as it may prescribe any mortgage offered or any bonds or notes issued which are eligible for insurance under the provisions of this subtitle. For the purposes of this section, the term "mortgage" includes loans to finance or refinance the purchase of stock or membership or to rehabilitate units in a cooperative ownership housing corporation, and the term "housing" includes any ancillary commercial or other facilities that are related and incidental to the housing and would support the housing. Fees shall be established for this insurance in an amount calculated to cover administrative costs for this program as well as payments made where defaults on mortgages, bonds or notes cause insured losses to the lenders, bondholders or noteholders. THE DEPARTMENT, IN ITS OWN NAME OR IN THE NAME OF THE MARYLAND HOUSING FUND, MAY ACQUIRE, HOLD, IMPROVE, SELL, ASSIGN, EXCHANGE, TRANSFER, CONVEY, LEASE, MORTGAGE, OR OTHERWISE DISPOSE OF OR ENCUMBER REAL PROPERTY OR ANY INTEREST THEREIN. For any property acquired by the Department through foreclosure or pursuant to any other payment in settlement for a claim for loss, the Department may make a mortgage loan to assist in the disposition of the property.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health and safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved April 12, 1988.