

Article 41B - Department of Housing and Community Development
Section 2-601 through 2-607, inclusive, to be under the new subtitle "Subtitle 6. Closing--Costs--Assistance Settlement Expense Loan Program"
Annotated Code of Maryland
(1986 Replacement Volume and 1987 Supplement)

Preamble

WHEREAS, The need for affordable housing in Maryland was documented by the Housing Policy Commission Report to the Governor and the General Assembly in 1985; and

WHEREAS, The same report documented the need to ensure that the settlement costs incurred by the homebuyer at the time of purchase not be prohibitive; and

WHEREAS, In 1988, Maryland still ranks among the highest closing cost areas in the nation, making it difficult for many potential homebuyers in Maryland to purchase a home because they lack sufficient cash for the down payment plus closing costs; and

WHEREAS, The General Assembly is particularly concerned about low and moderate income first-time homebuyers, many of whom can find an affordable home, can manage the monthly payments for principal, interest, insurance, taxes, and maintenance but due to the high cost of living are unable to save sufficient money for the up-front closing costs; and

WHEREAS, For 4 years, Baltimore City has successfully offered a program to first-time, limited income homebuyers that helps them finance settlement costs on the purchase of their home; and

WHEREAS, The General Assembly endorses the concept of a Settlement Expense Loan Program that makes funds available to first-time Maryland homebuyers with limited incomes; now, therefore,

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

Article 41B - Department of Housing and Community Development

SUBTITLE 6. CLOSING-COSTS-ASSISTANCE SETTLEMENT EXPENSE LOAN PROGRAM

2-601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.