

## (2) THE DEATH OF ONE OF THE JOINT TENANTS.

(G) "PROGRAM" MEANS THE CLOSING-COSTS-ASSISTANCE SETTLEMENT EXPENSE LOAN PROGRAM.

2-602.

THERE IS A CLOSING-COSTS-ASSISTANCE SETTLEMENT EXPENSE LOAN PROGRAM IN THE DEPARTMENT.

2-603.

THE PURPOSE OF THE PROGRAM IS TO PROVIDE FINANCING FOR CLOSING-COSTS SETTLEMENT EXPENSES TO ELIGIBLE HOMEBUYERS TO ENABLE THEM TO PURCHASE HOMES.

2-604.

(A) A LOAN MADE UNDER THE PROGRAM SHALL BE USED TO FINANCE ANY PORTION OF THE CLOSING--COSTS SETTLEMENT EXPENSES OF THE PURCHASE OF A PERSONAL RESIDENCE BY ELIGIBLE HOMEBUYERS.

(B) A LOAN MADE UNDER THE PROGRAM SHALL BE SECURED BY A MORTGAGE LIEN, WHICH MAY:

(1) BE SUBORDINATE TO OTHER MORTGAGE LIENS; AND

(2) INCLUDE LOAN TERMS THAT THE DEPARTMENT DEEMS NECESSARY TO MAKE HOUSING PURCHASES AFFORDABLE TO ELIGIBLE HOMEBUYERS, INCLUDING DEFERRED PAYMENT OF PRINCIPAL AND INTEREST.

(C) IN APPROVING LOANS:

(1) THE DEPARTMENT SHALL CONSIDER THE HOMEBUYER'S FINANCIAL RESOURCES, INCLUDING SAVINGS AVAILABLE TO PAY THE CLOSING--COSTS SETTLEMENT EXPENSES, IN RELATION TO THE PURCHASE PRICE OF THE HOME AND THE DOWN PAYMENT REQUIREMENTS OF THE LENDER; AND

(2) WITHIN THE INCOME LIMITS ESTABLISHED UNDER SUBSECTION (c)(1) OF THIS SECTION 5 2-605(A) OF THIS ARTICLE, THE DEPARTMENT SHALL GIVE A HIGH PRIORITY TO HOMEBUYERS OF LOW INCOME.

(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND NOTWITHSTANDING ANY PROVISION OF THIS SUBTITLE OR ANY OTHER LAW OR REGULATION, THE DEPARTMENT MAY REQUIRE THAT ALL LOANS SHALL BECOME DUE AND PAYABLE UPON THE SALE OR TRANSFER OF THE PROPERTY.

(2) WHEN THE PROPERTY IS SOLD TO AN ELIGIBLE HOMEBUYER, THE LOAN MAY BE ASSUMED BY THE PURCHASER WITH THE CONSENT OF THE DEPARTMENT.