

offer a right of first purchase to certain persons which shall include certain terms; establishing certain conditions and rights to accept the purchase offer; requiring the purchaser of an assisted project under a right of first purchase to record a covenant running with the land which restricts the use of the property in a certain manner; authorizing the Secretary of Housing and Community Development to exempt certain persons from certain requirements of this Act under certain circumstances; permitting rights of first purchase to be assigned only to parties having such rights under this Act; prohibiting tenants and owners of assisted projects from taking certain actions; establishing certain penalties and remedies for failure to comply with the provisions of this Act; requiring the settlement agent for a closing involving a protected action to file a written statement of the owner's compliance with this Act; providing that certain violations are within the scope of the enforcement powers of the Division of Consumer Protection of the Office of the Attorney General; making provisions of this Act severable; providing for the application of this Act; and generally relating to federally assisted housing in this State.

BY adding to

Article 83B - Department of Housing and Community  
Development  
Section 9-101 through 9-114 to be under the new title "Title  
9. Assisted Housing Preservation Act"  
Annotated Code of Maryland  
(1988 Replacement Volume)

#### Preamble

WHEREAS, There is a serious shortage of decent, safe, sanitary, and affordable rental units available to low and moderate income households in Maryland; and the inadequacy in the supply of decent, safe, sanitary, and affordable rental housing leads to homelessness and endangers the public health and safety, and the general welfare; and

WHEREAS, During the next decade, thousands of federally subsidized housing units in Maryland are in danger of becoming unaffordable to low and moderate income households due to the prepayment of subsidized mortgages and the termination of rental subsidy agreements; and these actions will result in the loss of low and moderate income rental requirements for the assisted projects; and the units at risk include those insured or assisted under §§ 221(d)(3), 202 and 236(a) and (b) of the National Housing Act, low income housing units constructed or rehabilitated with assistance under § 8 of the United States