

- (1) Acquire property securing a loan in default;
- (2) Encumber, sell, or otherwise dispose of property acquired in connection with a loan in default;
- (3) Assign a mortgage for value;
- (4) Release a mortgage when paid; or
- (5) Foreclose a mortgage.]

2-604.

(A) THE DEPARTMENT SHALL:

- (1) MANAGE AND SUPERVISE THE PROGRAM;
- (2) CARRY OUT THE PROGRAM IN A MANNER THAT:

(I) SERVES ALL OF THE AREAS OF THE STATE; AND

(II) AVOIDS CREATING OR AGGRAVATING LOW INCOME CONCENTRATIONS THAT ADVERSELY AFFECT COMMUNITIES;

(3) ADOPT POLICIES TO INSURE THAT ALL LOANS MADE UNDER THE PROGRAM ARE MADE ONLY TO:

(I) HOUSEHOLDS WHO:

1. HAVE ADJUSTED ANNUAL INCOMES AT THE TIME THE LOAN IS MADE WITHIN THE APPLICABLE UPPER LIMITS DETERMINED BY THE SECRETARY IN ACCORDANCE WITH PARAGRAPH (5) OF THIS SECTION; AND

2. CANNOT QUALIFY FOR CONVENTIONAL OR OTHER AVAILABLE DEPARTMENTAL FINANCING TO ENABLE THE OWNER TO CONTINUE TO OCCUPY THE HOME, OR FOR THE PURCHASE, PURCHASE AND REHABILITATION, OR REFINANCING OF A HOME; OR

(II) DEVELOPERS WHO THE DEPARTMENT REASONABLY ANTICIPATES CAN BUILD OR REHABILITATE HOUSING AFFORDABLE TO HOUSEHOLDS OF LIMITED INCOME;

(4) PERIODICALLY SET INTEREST RATES AND TERMS APPROPRIATE FOR EACH TYPE OF LOAN DESCRIBED IN § 2-602 OF THIS SUBTITLE, TAKING INTO ACCOUNT RATES AVAILABLE IN THE CONVENTIONAL PRIVATE HOUSING MARKET AND THE ADJUSTED ANNUAL INCOME AND ASSETS OF BORROWERS TO BE SERVED BY EACH TYPE OF LOAN TO BE MADE BY THE PROGRAM;

(5) PERIODICALLY SET UPPER LIMITS ON ADJUSTED ANNUAL INCOME: