

(1) CONTRACT FOR SERVICES RELATING TO THE PROGRAM;

(2) CONTRACT WITH PRIVATE MORTGAGE SERVICERS TO PERFORM ON BEHALF OF THE DEPARTMENT FUNCTIONS ORDINARILY PERFORMED BY PRIVATE MORTGAGE SERVICERS, INCLUDING FORECLOSURES AND EMPLOYMENT OF COUNSEL;

(3) REQUIRE PAYMENT OF A NONREFUNDABLE APPLICATION FEE;

(4) PURCHASE, AND MAKE COMMITMENTS TO PURCHASE, FROM MORTGAGE LENDERS NOTES OR MORTGAGES THAT EVIDENCE RESIDENTIAL MORTGAGE LOANS MADE IN CONFORMANCE WITH THE REQUIREMENTS OF THIS SUBTITLE AND ANY REGULATIONS OR PROGRAM DIRECTIVES, AS APPROPRIATE, THAT GOVERN THE PROGRAM; AND

(5) WITHOUT APPROVAL OR EXECUTION BY THE BOARD OF PUBLIC WORKS:

(I) ASSIGN A MORTGAGE FOR VALUE;

(II) RELEASE A MORTGAGE;

(III) FORECLOSE A MORTGAGE;

(IV) ACQUIRE PROPERTY SECURING A LOAN IN DEFAULT; OR

(V) ENCUMBER, SELL, OR OTHERWISE DISPOSE OF PROPERTY ACQUIRED IN CONNECTION WITH A LOAN IN DEFAULT.

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(a) The Program shall operate as a continuing, nonlapsing, special fund, that consists of moneys appropriated by the State to the Program.

(b) The Department shall:

(1) Use the fund to make loans and to pay expenses of the Program (including reserves for anticipated future losses directly related to the Program) as provided in the annual budget of the State or other act appropriating moneys; or

(2) Transfer moneys from the fund to the Rental Housing Production Fund under Article 83B, § 2-505 of the Code as provided in the budget, if sufficient moneys are maintained in the Program to make loans to individuals to purchase homes, taking into account the lending history under the Program, other resources, the number of income eligible individuals, and the availability of suitable housing stock.