

(2) (I) HAVE A COMMITMENT FROM THE DEPARTMENT FOR PERMANENT FINANCING FOR SALE OF THE RESIDENCES ACQUIRED AND CONSTRUCTED OR REHABILITATED WITH THE SHORT-TERM LOAN; OR

(II) HAVE APPROVAL FROM THE DEPARTMENT TO RENT THE RESIDENCE SUBJECT TO A LEASE PURCHASE AGREEMENT ACCEPTABLE TO THE DEPARTMENT.

2-611.

(d) (1) A loan shall be secured by a recorded lien on the real property that is to secure repayment of the loan, which [in the case of emergency assistance and reverse equity loans] may be a subordinate lien.

(2) In the case of emergency assistance loans, a lien may be released if it is in the best financial interests of the Department.

(f) (1) For preferred interest loans made under § 2-602(1) of this subtitle, the amount of the loan and any prior recorded liens outstanding may not exceed the value of the secured property plus settlement expenses as may be determined by the Program at the time the loan is closed.

(2) For reverse equity loans made under § 2-602(4) of this subtitle, the principal amount of the loan and any prior liens outstanding may not exceed the appreciated value of the secured property as determined by the Program from time to time.

(3) For short-term [construction] loans made under § 2-602(2) of this subtitle, the amount of the loan may not exceed the amount of the [commitment] TOTAL COMMITMENTS for permanent financing for buyers, INCLUDING ANY COMMITMENTS OF FEDERAL, STATE, OR LOCAL FUNDS TO BE USED TO SUBSIDIZE THE COST OF THE RESIDENTIAL UNITS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1994.

Approved May 2, 1994.

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**CHAPTER 413**

**(House Bill 1139)**

AN ACT concerning

**Domiciliary Care Facilities Board - Membership**

FOR the purpose of altering the membership of the Domiciliary Care Facilities Board to remove the Director of the Office of Planning; requiring the Governor to appoint a chairperson of the Board from among the State agency representatives to the Board; requiring the State Office on Aging rather than the Office of Planning to provide staff support to the Board; and generally relating to the membership and