

(5) Loans may cover the costs of a rehabilitation project and closing costs of the loan. Loans may cover costs related to the implementation of a rehabilitation project such as appraisal fees or architectural and engineering fees.

(6) Modifications to the rate of interest, the time or amount of payment, or any other term of a loan which is in default may be made by the Department in order to ensure repayment of the loan and achieve the purposes of the Program.

(7) (I) To the extent the Department has provided a loan for the financing of a residential rehabilitation project, the sponsor or nonprofit sponsor must provide [a proportionate share of the dwelling units for occupancy by families of limited income for a term of 5 years or more depending on the type of rehabilitation and the terms and conditions of the loan as shall be set forth in regulations to be promulgated by the Department] AT LEAST A MINIMUM NUMBER OF DWELLING UNITS RESTRICTED FOR OCCUPANCY BY FAMILIES OF LOWER INCOME FOR AT LEAST A MINIMUM NUMBER OF YEARS.

(II) THE MINIMUM NUMBER OF DWELLING UNITS SHALL BE THE GREATER OF:

1. THE NUMBER OF UNITS WHICH IS EQUAL TO THE PROPORTION OF THE AMOUNT OF THE PROGRAM LOAN FOR THE PROJECT TO THE TOTAL FINANCING OF THE UNDERTAKING; OR

2. FOR PROJECTS WHICH RECEIVE AN ALLOCATION OF FEDERAL LOW INCOME HOUSING TAX CREDITS, THE NUMBER OF UNITS SELECTED BY THE SPONSOR TO SATISFY THE FEDERAL OCCUPANCY REQUIREMENTS; OR

3. FOR PROJECTS WHICH FINANCE A PORTION OF THE PROJECTS COSTS WITH GOVERNMENT ISSUED FEDERALLY TAX EXEMPT REVENUE BONDS, THE GREATER OF:

A. THE NUMBER OF UNITS REQUIRED FOR COMMUNITY DEVELOPMENT PROJECTS UNDER ~~ARTICLE 83B, § 2-203(F)(1)(I)~~ § 2-203(F)(1)(II) OF THIS TITLE; OR

B. THE NUMBER OF UNITS SELECTED BY THE ISSUER OF THE BONDS.

(III) THE MINIMUM NUMBER OF YEARS SHALL BE THE GREATER OF THE NUMBER OF YEARS IMPOSED BY THE FEDERAL REQUIREMENTS ~~OF~~ OR 15 YEARS.

(IV) UNITS RESTRICTED FOR OCCUPANCY TO MEET OTHER FEDERAL OR STATE OCCUPANCY REQUIREMENTS MAY BE COUNTED TOWARD THE MINIMUM NUMBER REQUIRED HEREUNDER.

(8) As a condition to certain types of loans, the Department may require a contribution to a rehabilitation project from the political subdivision where the project is located.