

Law; and generally relating to the Maryland Housing Fund.

BY repealing and reenacting, with amendments,

Article 83B - Department of Housing and Community Development

Section 3-204

Annotated Code of Maryland

(1991 Replacement Volume and 1994 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 83B - Department of Housing and Community Development

3-204.

The Department, in its own name or in the name of the Maryland Housing Fund, may:

- (1) Insure or guarantee upon such terms as it may prescribe any mortgage or pool of mortgages offered or any bonds or notes issued which are eligible for insurance in accordance with § 3-201 of this subtitle;
- (2) Insure an aggregate amount not to exceed \$30 million of bridge loans for a portion of the development costs of rental housing projects that are awarded federal low income housing tax credits, which loans are secured by personal rather than real property;
- (3) Provide other forms of credit enhancement upon such terms as it may prescribe for qualified lenders and borrowers who are unable otherwise to obtain such enhancement in the private market;
- (4) Issue obligations in any form backed by a pool of mortgages, including without limitation, securities, certificates of participation, grantor trusts, collateralized mortgage obligations, and pass through certificates;
- (5) Following a default under any obligation which is insured or otherwise credit enhanced under this subtitle, acquire, hold, improve, operate pending sale or other disposition, sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber real property or any interest therein, personal property or any interest therein, or any evidence of indebtedness, including pass through certificates, residual interests or other securities backed by real estate or a mortgage, notwithstanding the provisions of Titles 10 through 17 of the State Finance and Procurement Article; and
- (6) In connection with any property, WHETHER OR NOT INSURED BY THE MARYLAND HOUSING FUND, acquired by the Department OR THE MARYLAND HOUSING FUND through foreclosure, DEED IN LIEU OF FORECLOSURE, or OTHERWISE pursuant to any other payment in settlement for a claim for loss: