

Approved April 25, 2002.

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**CHAPTER 274**

**(House Bill 1217)**

AN ACT concerning

**Housing and Community Development - Maryland Home Financing  
Program - Mortgage Sales**

FOR the purpose of allowing the Department of Housing and Community Development to sell loans on ~~the secondary market~~ terms acceptable to the Department; allowing the Department to transfer money to the Homeownership Programs Fund; allowing money to be placed in the Fund from the sale of mortgages; and generally relating to loans from the Department of Housing and Community Development.

BY repealing and reenacting, with amendments,

Article 83B - Department of Housing and Community Development

Section 2-612 and 2-613(a)

Annotated Code of Maryland

(1998 Replacement Volume and 2001 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**

2-612.

The Department may:

- (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;