

ment of its loan, the interest, if any, thereon and other charges in connection therewith. Subject to the provisions of any contract with noteholders or bondholders, to consent to the modification, with respect to rate of interest, time of payments of any installment of principal or interest, security, or any other term, of any mortgage, mortgage loan, mortgage loan commitment, contract or agreement of any kind to which the Authority is a party. In connection with any property on which it has made a mortgage loan, to foreclose on any such property or commence any action to protect or enforce any right conferred upon it by any law, mortgage contract or other agreement, and to bid for and purchase such property at any foreclosure or at any other sale, or acquire or take possession of any such property; and in such event the Authority may complete, administer, pay the principal of and interest on any obligations incurred in connection with such property, dispose of, and otherwise deal with such property, in such manner as may be necessary or desirable to protect the interests of the corporation therein. Any lien held by the Authority on property shall be a lien superior to all other liens on the property except liens for taxes owed to the State of Maryland or any subdivision thereof and earlier mortgage liens.

(k) To employ officers, agents and employees, prescribe their duties and qualifications and fix their compensation, subject to the approval of the secretary of the State department which will embrace the areas of housing, community, and industrial development, if said department is established in the State of Maryland as previously referred to. All employees, except those appointed by the Governor shall be employed in accordance with the provisions of Merit System laws of Maryland as the same may from time to time be amended.

(l) To contract for and to accept any gifts or grants or loans of funds or property or financial or other aid in any form from the Federal government or any agency or instrumentality thereof, or from the State or any agency or instrumentality thereof, or from any source and to comply, subject to the provisions of this Act, with the terms and conditions thereof.

(m) Enter into agreements to pay annual sums in lieu of assessments or charges (other than property taxes) to any municipality, county, or other subdivision of the State in respect of any real property which is owned by the Authority and located in such municipality, county, or subdivision. During the time that any property is held by the Authority, prior to the same being sold, mortgaged, or leased as herein provided, said property of the Authority shall be exempt from all State, municipal, county or other local property taxes in any manner whatsoever.

(n) Do all acts and things necessary or convenient to carry out the powers expressly granted in this subtitle; provided, however, that in all matters concerning the internal administrative functions of the Authority the purchasing procedures of the State relating to office space, supplies, facilities, materials, equipment, and professional services shall be followed.

## 6. FINDINGS

No funds of the Authority shall be used in respect of the planning and development of any residential development unless the Authority