

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 83B, § 2-204(14).

Defined terms: "Administration" § 4-101

"Community development project" § 4-201

4-235. MORTGAGE LOANS AND REVERSE EQUITY MORTGAGE LOANS.

(A) DEFINITIONS.

(1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "MORTGAGE LOAN" INCLUDES A LOAN TO:

(I) FINANCE OR REFINANCE THE PURCHASE OF STOCK OR MEMBERSHIP IN A COOPERATIVE OWNERSHIP HOUSING CORPORATION; OR

(II) REHABILITATE UNITS IN A COOPERATIVE OWNERSHIP HOUSING CORPORATION.

(3) "REVERSE EQUITY MORTGAGE LOAN" INCLUDES A LOAN THAT USES THE EQUITY IN A HOME AS COLLATERAL.

(B) AUTHORITY TO MAKE OR PURCHASE.

(1) IN ACCORDANCE WITH § 4-213 OF THIS SUBTITLE, THE ADMINISTRATION MAY MAKE, PARTICIPATE IN MAKING, PURCHASE, AND UNDERTAKE A COMMITMENT FOR:

(I) A MORTGAGE LOAN OR OTHER FINANCIAL ASSISTANCE SECURED BY A MORTGAGE LIEN FOR A COMMUNITY DEVELOPMENT PROJECT OR PUBLIC PURPOSE PROJECT; AND

(II) A REVERSE EQUITY MORTGAGE LOAN SECURED BY A MORTGAGE LIEN THAT IS FOR HOUSING RELATED EXPENSES OF AN ELDERLY FAMILY OF LIMITED INCOME.

(2) FINANCIAL ASSISTANCE TO PURCHASE A DWELLING UNIT IN A COMMUNITY DEVELOPMENT PROJECT OR PUBLIC PURPOSE PROJECT UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION MAY INCLUDE A TEMPORARY LOAN OR ADVANCE AND A PERMANENT DIRECT MORTGAGE LOAN TO A FAMILY OF LIMITED INCOME, IF OTHERWISE REQUIRED BY LAW.

(3) HOUSING RELATED EXPENSES UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION INCLUDE PERSONAL EXPENSES THAT ENABLE THE OWNER TO CONTINUE TO OCCUPY THE OWNER'S HOME.

(C) TERMS AND CONDITIONS.

(1) A COMMITMENT, MORTGAGE, BOND, OR SECURED NOTE SHALL CONTAIN TERMS AND CONDITIONS NECESSARY TO SECURE REPAYMENT OF ITS LOAN, THE INTEREST ON IT, AND OTHER CHARGES IN CONNECTION WITH THE LOAN.