

property, to the retirement system lending such acquisition price. Such agreements may be entered into for the acquisition and financing as aforesaid of an individual parcel or of any number of parcels within the limits of a contemplated [highway] *transportation* project. Such mortgages shall provide for the payment of interest at a rate, to be determined by the parties, payable annually to such mortgagees, shall provide also that the duration of such mortgage shall be for no longer than five (5) years subject to prepayment at any time prior to the expiration of such five-year term, at the option of the [Commission] *Department* upon payment of principal and interest to the date of prepayment. Each such mortgage may not extend beyond five years from the date it is entered into. The total amount to be loaned hereunder by the retirement system for the five-year period beginning June 1, 1967, and for any succeeding five-year period, may not at any time exceed ten (10%) percent of the combined total assets of the retirement systems, nor may the amount loaned in any one year exceed one-fifth of such total amount. The total amount loaned by any one of the retirement systems may at no time exceed ten (10%) percent of its assets. Such property may be acquired by purchase or condemnation under the provisions of Article 33A or Article 89B of the Annotated Code of Maryland.

(c) The retirement system mortgagee in any particular instances shall be determined by agreement between the [Director of Highways] *Secretary of Transportation* and the trustees of the particular system. The costs of acquisition including mortgage recordation costs, title searches and court costs, if any, shall be paid by the [State Roads Commission] *Department of Transportation*. Such agreements shall provide that the [Director of Highways] *Secretary of Transportation* may redeem any mortgage hereunder at any time prior to the letting of a [highway] *transportation* improvement contract utilizing the property, and during the effective period of such agreement the [Director] *Secretary* shall redeem the mortgage upon such property whenever such a highway contract is let, or upon the expiration of five years from the mortgage execution date, whichever date is earlier, and these mortgages will include the full faith and credit of the State of Maryland.

(d) The [Director] *Secretary* shall redeem such first mortgages of the retirement system in compliance with such agreements, and for this purpose is authorized to use any funds available to the [Commission] *Department of Transportation*, subject only to the prior pledge of such moneys for the retirement of the State highway construction bonds or *Consolidated Transportation bonds provided for under Article 94A of this Code*.

(e) Such agreements shall provide that the [State Roads Commission] *Department of Transportation* shall have the sole and exclusive use and management of such property during the time title is held by said [Commission] *Department* and shall have the rights to all rentals and any other income arising from the use of such property. The [Director of Highways] *Secretary of Transportation* shall authorize the payment of all taxes, insurance premiums and costs of maintaining such property while under the control of the [State Roads Commission] *Department of Transportation*, and shall save the retirement system harmless from any liability whatsoever in connection with management of such property.