

(II) FOR ANY 1 YEAR, 20 PERCENT OF THAT TOTAL AMOUNT.

(2) THE TOTAL AMOUNT THAT MAY BE LOANED UNDER THIS SECTION BY ANY ONE OF THE RETIREMENT SYSTEMS MAY NOT EXCEED AT ANY TIME 10 PERCENT OF ITS ASSETS.

(F) TERMS AND CONDITIONS OF MORTGAGE AND LOAN.

(1) EACH MORTGAGE SHALL PROVIDE:

(I) THAT INTEREST, AT A RATE DETERMINED BY THE PARTIES, BE PAID ANNUALLY TO THE MORTGAGEES;

(II) THAT THE DURATION OF THE MORTGAGE WILL NOT BE FOR LONGER THAN 5 YEARS; AND

(III) THAT, AT THE OPTION OF THE DEPARTMENT, THE MORTGAGE MAY BE PREPAID AT ANY TIME ON PAYMENT OF THE PRINCIPAL, WITH INTEREST TO THE DATE OF PREPAYMENT.

(2) DURING THE EFFECTIVE PERIOD OF THE AGREEMENT, THE SECRETARY SHALL REDEEM THE MORTGAGE AT THE TIME THE TRANSPORTATION IMPROVEMENT CONTRACT IS LET OR 5 YEARS AFTER THE DATE ON WHICH THE MORTGAGE IS EXECUTED, WHICHEVER IS EARLIER.

(3) EACH MORTGAGE SHALL INCLUDE THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND AND SHALL BE REDEEMED OUT OF ANY FUNDS AVAILABLE TO THE DEPARTMENT, SUBJECT ONLY TO THE PRIOR PLEDGE OF THESE FUNDS FOR THE RETIREMENT OF STATE HIGHWAY CONSTRUCTION BONDS OR CONSOLIDATED TRANSPORTATION BONDS.

(G) MANAGEMENT OF PROPERTY.

THE PROPERTY COVERED BY THESE AGREEMENTS MAY BE:

(1) MANAGED, CONTROLLED, USED, RENTED, OR LEASED BY THE DEPARTMENT;

(2) MANAGED BY ANY PERSON UNDER CONTRACT WITH THE SECRETARY; OR

(3) OPERATED BY THE DEPARTMENT.

REVISOR'S NOTE: This section is new language derived from Art. 89B, §22A.

As to subsection (e) (1) of this section, the present reference to "the retirement system"—in the next to the last sentence of present §22A (b)—is grammatically incorrect and, therefore, ambiguous: is it intended to refer to "the retirement systems" (i.e., all of them combined) or, as in subsection (e) (2), "any one of the retirement systems"? In the