

(d) On approval of a loan, the Secretary shall enter into a loan agreement with the borrowing political subdivision providing for payment of interest only, at a rate determined by the Secretary in accordance with § 440(c)[(3)] (2)(III) of this [subheading] SUBTITLE, beginning on the date of the [first moneys advanced under the] loan and continuing for two years after that date. On sale of the shell building, the political subdivision shall repay the entire amount of the loan. Subject to the required repayment in the event of a sale, the principal balance of the loan remaining at the end of the two-year amortization period shall be amortized over a period not exceeding 25 years in accordance with an amortization schedule approved by the Secretary. [Moneys loaned for costs of finishing the shell building, after closing the initial loan, shall be amortized together with or within the period for amortization of the initial loan.] The borrowing subdivision shall give to the Secretary at least 30 days advance notice and obtain his written approval of any sale or lease. THE LOAN AGREEMENT MAY CONTAIN REGULATORY AND SECURITY PROVISIONS.

(e) The loan agreement shall be recorded among the land records of the political subdivision in which the project is located and shall constitute a [first] lien on the land and the improvements.

441B.

(b) On approval of a loan under this section, the Secretary and the borrowing subdivision shall enter into a loan agreement requiring repayment within seven years at an interest rate calculated pursuant to § 440(c)[(3)] (2)(III) of this [subheading] SUBTITLE, and in accordance with an amortization schedule approved by the Secretary. The loan agreement may require repayment from the proceeds of any loan made under §§ 440 or 441 of this [subheading] SUBTITLE.

443.

[Notwithstanding any other provision of this subtitle, the Secretary may waive the requirement that a loan agreement executed pursuant to this subtitle constitute a first lien on the land and improvements if he finds that (i) subordination of the State's interest is necessary to development or completion of the project, and (ii) such subordination will not jeopardize the probability of repayment to the State or have an unduly adverse effect on the State's security for repayment.] A LOAN UNDER THIS SUBTITLE IS A GENERAL OBLIGATION OF THE BORROWING COUNTY, TO THE REPAYMENT OF WHICH THE COUNTY'S FULL FAITH AND CREDIT ARE PLEDGED OR AN OBLIGATION OF BALTIMORE CITY REPAYABLE FROM ASSETS AND REVENUES AS PROVIDED IN THE LOAN AGREEMENT. The Secretary [may], upon the sale of any part of the land secured by a loan agreement and prepayment of principal as provided in this subtitle, SHALL execute a partial release of such land from the lien of the loan agreement.