

(F) ON APPROVAL OF THE LOAN, THE SECRETARY SHALL ENTER INTO A LOAN AGREEMENT WITH THE BORROWING POLITICAL SUBDIVISION PROVIDING FOR:

(1) PAYMENT OF INTEREST ONLY, AT A RATE DETERMINED BY THE SECRETARY IN ACCORDANCE WITH § 5-404(C)(2)(III) OF THIS SUBTITLE, BEGINNING ON THE DATE OF THE LOAN AND CONTINUING FOR A PERIOD NOT TO EXCEED 2 YEARS AFTER THAT DATE;

(2) PAYMENTS OF PRINCIPAL AND INTEREST, IN ACCORDANCE WITH AN AMORTIZATION SCHEDULE APPROVED BY THE SECRETARY, FOR A PERIOD NOT TO EXCEED 25 YEARS FROM THE END OF THE INTEREST ONLY PAYMENT PERIOD;

(3) REPAYMENT OF THE ENTIRE AMOUNT DUE UNDER THE LOAN IN THE EVENT OF SALE OF THE INCUBATOR;

(4) AT LEAST 30 DAYS' ADVANCE NOTICE TO THE SECRETARY BY THE POLITICAL SUBDIVISION OF ANY PROPOSED SALE OR LEASE OF THE INCUBATOR;

(5) THE POLITICAL SUBDIVISION OBTAINING THE SECRETARY'S WRITTEN APPROVAL OF ANY SUCH SALE OR LEASE; AND

(6) REGULATORY OR SECURITY PROVISIONS, AS THE SECRETARY DEEMS APPROPRIATE.

~~(G) -- WHERE PERMITTED BY LAW -- APPLICABLE -- TO -- THE -- POLITICAL SUBDIVISION, -- THE LOAN AGREEMENT SHALL BE RECORDED AMONG THE LAND RECORDS OF THE POLITICAL SUBDIVISION AND SHALL CONSTITUTE A LIEN ON THE LAND AND IMPROVEMENTS.~~

5-408.

(f) (1) Before making a loan that has been approved by the Secretary under this section, the Department shall enter into a loan agreement with the borrowing political subdivision.

(2) Each loan agreement shall include:

(i) A provision for payments of interest only for a [2-year] period NOT TO EXCEED 2 YEARS from the date of the loan;

(ii) A provision for payments of principal and interest, in accordance with an amortization schedule that the Secretary approves, for not more than a 25-year period from the end of the [2-year] INTEREST ONLY PAYMENT period;

(iii) A provision for an interest rate 1. that equals the net interest costs of the most recent sale of State general obligation bonds before the date of the loan plus 1/8 of 1 percent for a loan made from sources other than State general