

(e) After the investigation the Secretary considers necessary, the Secretary may approve a loan of all or any part of the project costs, not to exceed \$1,500,000 for any 1 incubator, except that in the case of an incubator for which the political subdivision has an executed lease agreement acceptable to the Secretary with at least 1 new business which will be conducting State-financed research as a tenant of the incubator, the loan amount under this subsection shall not exceed \$2,500,000.

(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)] § 5-704(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) The loan agreement shall be recorded among the land records of the political subdivision and shall constitute a lien on the land and improvements.

[5-407.] 5-708.

(a) On application and upon complying with the requirements of [§ 5-404(a)] § 5-704(A) after investigation, the Secretary may approve a loan, not exceeding \$50,000 and on an equal matching basis with funds of the borrowing subdivision, for the purpose of acquiring options to purchase prospective industrial land sites or industrial park sites.

(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 [§ 5-404(c)(2)(iii)] § 5-704(C)(2)(III) of this 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 [§ 5-404 or § 5-405] § 5-704 OR § 5-705 of this subtitle.

[5-408.] 5-709.

(a) (1) In this section, the following words have the meanings indicated.

(2) "Project" means an access road, a utility line or both an access road and utility line that are located within a political subdivision and that directly serve an industrial site.