

(iii) The amount of money in the Fund not committed to linked deposits;

(iv) Whether the availability of linked deposit financing is essential for the economic feasibility of the acquisition to be made;

(v) The economic needs of the area in which the business is located;

(vi) The financial feasibility of the loan to be made; and

(vii) Any other factors that the Department considers relevant.

5-606.

(a) If the Department accepts a linked deposit loan package from a lender, the Department and the lender shall enter into a deposit agreement under which:

(1) The Department shall place with the lender a 5-year certificate of deposit in the amount of the loan, at a rate 3 percent below the lender's prevailing rate for equivalent deposits at the time of the deposit; and

(2) The lender will agree to approve the applicant's loan application at a fixed interest rate which shall be at least 3 percent below its then customary rate for similar loans, for a term of at least 5 years, and upon such other terms and conditions as the Department shall approve. The lender must also agree not to assign or sell the loan to any other lender so long as the linked deposit is in effect. The lender must also agree not to charge the borrower more than a total of 1 percent of the principal amount of the loan for origination, placement, or discount fees or other charges as additional compensation for the loan.

(b) On receiving a linked deposit from the Department, the lender shall carry out the loan commitment to the applicant.

(c) At the conclusion of the deposit term or at an earlier time as the loan to the applicant is repaid or otherwise terminated, the deposit shall revert to the Fund, and the rate of the loan shall return to the prevailing rate, as provided in the loan commitment.

5-607.

(a) The Department and the State shall have the immunity from liability described under § 5-366 of the Courts and Judicial Proceedings Article.

(b) A delay in payment or default by an eligible business does not affect the deposit agreement between the lender and the Department.

5-608.

If, at any time, the amount of money in the Fund exceeds the amount that the Department considers necessary currently to meet its obligations under this subtitle, the Department shall deposit the excess money with the State Treasurer, who shall invest the money in the manner provided for by law.

5-609.