

subdivision and in the particular area in which the land is located, including the rate of unemployment, if available, and any anticipated developments which may affect the rate of unemployment in the near future; and

(8) Whether there is a shortage of industrial land in the subdivision and in the particular area in which the land is located.

(c) (1) Upon approval of a loan, the Secretary shall enter into a loan agreement with the [borrowing subdivision] BORROWER.

(2) Each loan agreement shall include:

(i) A provision for payments of interest only for a period not to exceed 5 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 40-year period from the end of the interest only payment period;

(iii) A provision for an interest rate that equals:

1. The net interest cost 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 obligation bond proceeds;

2. For a loan made from the proceeds of a State general obligation bond issue either:

A. The net interest cost of the sale of State general obligation bonds out of which the loan is made plus 1/8 of 1 percent; or

B. The maximum interest rate permitted under applicable federal tax law or required pursuant to resolutions of the Board of Public Works adopted in connection with the issuance of the State general obligation bonds out of which the loan is made;

(iv) A provision that requires the [borrowing subdivision] BORROWER to give the Secretary at least 30 days prior written notice of any proposed sale, lease, or conveyance and that requires that prior written approval of the Secretary before the sale, lease, or conveyance, which approval the Secretary shall grant unless the sale, lease, or conveyance violates a provision of the loan agreement or is clearly inconsistent with the purposes of this subtitle; and

(v) A provision that requires, on sale of any portion of the land, prepayment of the principal of the loan from the sale proceeds in an amount that equals the amount of the original loan multiplied by the proportion of the land sold to the amount of land which remains when any land reserved for use by an entire industrial park is subtracted from the total land for which the loan was made originally and a provision for reducing the amortization payments accordingly.

(3) The loan agreement may contain regulatory and security provisions.