

PRINCIPAL OBLIGATION OF A MORTGAGE MAY NOT EXCEED 100 PERCENT OF THE COST OF PROJECT.

REVISOR'S NOTE: This subsection presently appears as the introductory clause of Art. 41, § 266T(b) and the first sentence of Art. 41, § 266T(b) (2).

The present reference to certain "charges and ... fees approved by the authority" is deleted as unnecessary given the general reference to the "principal obligation", which is the essential element in applying this formula, whether or not these charges and fees are part of that obligation.

The only other changes are in style.

The term "cost of project" is defined in § 13-101(c) of this subtitle.

(B) MAXIMUM INSURABLE PORTION.

THE AUTHORITY MAY INSURE THE PRINCIPAL OBLIGATION OF A MORTGAGE ONLY TO THE EXTENT OF:

- (1) \$5,000,000 AS TO ANY ONE PROJECT;
- (2) 90 PERCENT OF THE COST OF PROJECT AS TO REAL PROPERTY; AND
- (3) 70 PERCENT OF THE COST OF PROJECT AS TO MACHINERY AND EQUIPMENT.

REVISOR'S NOTE: This subsection is new language derived without substantive change from the second sentence of Art. 41, § 266T(b) (2).

The term "cost of project" is defined in § 13-101(c) of this subtitle.

13-135. MORTGAGE INSURANCE PREMIUMS — IN GENERAL.

(A) IN GENERAL.

THE AUTHORITY MAY SET THE PREMIUMS TO BE PAID TO IT FOR INSURING MORTGAGE PAYMENTS UNDER THIS SUBTITLE.

(B) COMPUTATION OF PREMIUM.

IN ITS DISCRETION, THE AUTHORITY MAY COMPUTE THE PREMIUMS:

- (1) AS A PERCENTAGE OF THE ENTIRE PRINCIPAL OBLIGATION OUTSTANDING AT THE BEGINNING OF EACH MORTGAGE YEAR; OR
- (2) AS A PERCENTAGE OF ONLY THE INSURED PORTION