

91465 Security for Loans

(a)

The Office maintains discretion to require additional security in each individual case and to require funded depreciation.

(b)

No security agreements shall be entered into by the borrower affecting the project property without prior approval by the Office.

(c)

Loans to city, county, city and county or hospital district may be evidenced by a duly authorized bond issue. The Office may require additional security of the city, county, city and county or hospital district including a mortgage, trust indenture or lien on the project property. Where the borrower is a joint powers entity, the loan shall be secured by the first mortgage or first lien on the project property. The Office maintains discretion to require additional security in each individual case.