§ 18. Effects of breach or of acquisition of projects by third persons. In every contract for a loan by the state or for periodic subsidies by the state, or both, a substantial breach of the condition set forth therein providing for the maintenance of the project as low rent housing shall be defined in such terms as the commissioner shall deem to be in the public interest and consistent with the provisions and purposes of this chapter. In every such contract the commissioner shall retain the right, in the event of such a substantial breach or in the event of the acquisition of title to the project by a third party, other than a government authorized to engage in the administration of low rent housing and approved by the commissioner, in any manner including a bona fide foreclosure under a mortgage or other lien held by a third party, to increase the interest payable thereafter on the unpaid balance of any loan made pursuant to the contract to a rate not in excess of the going state rate of interest (at the time of such breach or acquisition) plus two per centum per annum or to declare any such unpaid balance due forthwith and to reduce or terminate any periodic subsidies payable under the contract.