§ 2875. Conditions and security for loans. No loan shall be made by the agency to an eligible borrower until the commissioner has approved the project and finds that:

1. The eligible borrower has complied with all of the provisions of article twenty-eight of this chapter and this article;

2. The plans and specifications conform to the requirements of all laws and regulations applicable thereto and assure adequate light, air, sanitation and fire protection and are satisfactory to him;

3. The estimated revenue of the project or from other funds of the eligible borrower pledged, assigned or otherwise to be made available to the agency will be sufficient to cover all probable costs of operation and maintenance, of fixed charges and such reserves as may be authorized by the commissioner or required by the agency;

4. Provision has been made for the purpose of providing for the payment of the difference between the estimated project cost and the loan; and in the event the final project cost shall exceed the estimated project cost, the difference between such final project cost and the loan;

5. The eligible borrower has entered into a regulatory agreement pursuant to section twenty-eight hundred seventy-three of this article.