

COMMERCIAL INVESTMENT IN EXCESS OF \$5,000.

12-404.

(c) Amortization of Loan.

A loan shall be amortized in equal or substantially equal monthly installments without a balloon payment at maturity, except that:

(1) Payment on the loan may be reduced or suspended until [[the first lien or encumbrance is]] all prior liens or encumbrances are wholly or partially satisfied; and

(2) [A balloon payment at maturity may be required if the loan is transacted solely for the purpose of acquiring or carrying on a business or commercial investment.] A balloon payment at maturity may be required if the loan is transacted solely for the purpose of acquiring or carrying on a business or commercial investment AND IS MORE THAN \$5,000. (3) A PERSON WHO TAKES BACK A DEFERRED PURCHASE MONEY SECONDARY MORTGAGE TO AID IN THE SALE OF HIS OWN RESIDENCE [[OR ANY RESIDENTIAL DWELLING BUILT BY HIM]] SHALL BE PERMITTED TO CREATE A BALLOON PAYMENT AT MATURITY OF THE DEFERRED PURCHASE MONEY MORTGAGE IF SUCH BALLOON PAYMENT IS:

(I) EXPRESSLY DISCLOSED TO THE BORROWER, AND

(II) AGREED TO BY BOTH THE BORROWER AND THE LENDER/SELLER IN WRITING.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1975.

Approved May 15, 1975.

CHAPTER 575**(Senate Bill 305)****AN ACT concerning****Veterans' Home Commission**

FOR the purpose of creating a Veterans' Home Commission to provide a home for veterans in the State of Maryland; setting its purposes and terms of