

Article - Financial Institutions

~~Section 11-204, 11-505, 11-506, 11-507(c), 11-508, 11-511(b), 11-517, and 11-523~~

Section 11-204, 11-301(b), 11-505, 11-508, 11-511(b), and 11-523

Annotated Code of Maryland  
(1998 Replacement Volume)

BY adding to

Article - Financial Institutions

Section 11-511.1

Annotated Code of Maryland  
(1998 Replacement Volume)

BY repealing and reenacting, with amendments,

Article - Real Property

Section 7-109

Annotated Code of Maryland

(1996 Replacement Volume and 1997 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Commercial Law**

12-405.

(a) (1) A lender may collect a loan origination fee [not exceeding the greater of \$500 or 4 percent of the net proceeds of a commercial loan of \$75,000 or less made under this subtitle or not exceeding \$250 or 2 percent of the net proceeds of any other loan under this subtitle] FOR MAKING A LOAN UNDER THIS SUBTITLE ONLY AS PROVIDED IN THIS SECTION.

(2) THE AGGREGATE AMOUNT OF THE LOAN ORIGINATION FEE IMPOSED BY A LENDER UNDER THIS SECTION ~~AND~~ WHEN COMBINED WITH ANY FINDER'S FEE IMPOSED BY A MORTGAGE BROKER UNDER § 12-804 OF THIS ARTICLE MAY NOT EXCEED THE GREATER OF:

(I) \$500 OR 10 PERCENT OF THE NET PROCEEDS OF A COMMERCIAL LOAN OF \$75,000 OR LESS MADE UNDER THIS SUBTITLE; OR

(II) \$250 OR 10 PERCENT OF THE NET PROCEEDS OF ANY OTHER LOAN MADE UNDER THIS SUBTITLE.

(3) [However, the] A lender may not collect from the borrower any other commission, finder's fee, or point for obtaining, procuring, or placing a loan UNDER THIS SUBTITLE.

[(2)](4) A lender who utilizes the provisions of § 12-404.1 of this title, relating to federal second mortgage purchase programs, is not entitled to the