

(4) ANY BUILDER WHO IN THE AID OF THE SALE OF NEW RESIDENTIAL DWELLINGS BUILT BY HIM TAKES BACK A DEFERRED PURCHASE MONEY SECONDARY MORTGAGE.

(5) ANY NON-PROFIT RELIGIOUS OR CHARITABLE ORGANIZATION.

SECTION 2. AND BE IT FURTHER ENACTED, That Sections 12-401(c), 12-401(j) and 12-404(c) of Article - Commercial Law, of the Annotated Code of Maryland (As enacted by Chapter\_\_\_(HB26) of the Acts of the General Assembly of 1975) be and they are hereby repealed and re-enacted, with amendments, to read as follows:

Article - Commercial Law

12-401.

(c) Lender.

Lender means:

(1) A Licensee; or

(2) A person who makes a secondary mortgage loan but is exempt EXPRESSLY from the licensing requirements of the Maryland secondary mortgage loan law - licensing provisions.

(j) Secondary Mortgage Loan.

(1) "Secondary mortgage loan" means a loan OR DEFERRED PURCHASE PRICE secured in whole or in part by a mortgage, deed of trust, security agreement, or other lien on real property located in the State, which property:

(i) is subject to the lien of one or more prior encumbrances, except a ground rent or other leasehold interest; and

(ii) has a dwelling on it designed principally as a residence with accommodations for not more than four families.

(2) "Secondary mortgage loan" does not include:

(I) a loan to any corporation unless the lender required the borrower to incorporate as a condition for obtaining the loan[.]; OR

(II) A LOAN FOR A BUSINESS PURPOSE OR