residence may create a balloon payment at maturity of the deferred purchase money mortgage, if the balloon payment is:

(i) Expressly disclosed to the borrower; and

(ii) Agreed to by both the borrower and the lender/seller in writing.

(3) A lender who takes back a deferred purchase money secondary mortgage on a borrower's present residence to aid the borrower in the purchase of a new residence may create a balloon payment if the balloon payment is:

(i) Expressly disclosed to the borrower; and

(ii) Agreed to by both the borrower and lender in writing.

(D) NOTWITHSTANDING THE PROVISIONS OF SUBSECTIONS (A) ~~AND~~, (B), AND (C) OF THIS SECTION, ON ANY LOAN MADE ON OR AFTER JULY 1, 1982, AND BEFORE JULY 1, 1985, A LENDER UNDER THIS SUBTITLE MAY CHARGE INTEREST NOT EXCEEDING 24 PERCENT PER ANNUM SIMPLE INTEREST ON THE LOAN PROVIDED THAT:

(1) THE INTEREST IS COMPUTED ON THE ACTUAL UNPAID PRINCIPAL BALANCES OUTSTANDING FROM TIME TO TIME; ~~AND~~

(2) THE LENDER DOES NOT CONTRACT FOR, CHARGE OR RECEIVE ANY INTEREST IN ADVANCE OR ANY COMPOUNDED INTEREST~~.~~ ;

(3) IF THE LOAN IS A RENEWAL OR REFINANCING OF A LOAN MADE PRIOR TO JULY 1, 1982, THE LENDER COMPLIES WITH SECTION 12-116 OF THIS TITLE;

(4) IF THE LOAN INCLUDES A PROVISION FOR A RATE OF INTEREST WHICH MAY BE ADJUSTED BY THE LENDER DURING THE TERM OF THE LOAN, THE LENDER COMPLIES WITH SECTION 12-118 OF THIS TITLE; AND

(5) IF THE LOAN IS FOR THE PURCHASE OF CONSUMER GOODS, THE LOAN CONTRACT COMPLIES WITH SECTION 12-117 OF THIS TITLE.

12-505.

(a) In a closed end account, the finance charge may not exceed the greater of:

(1) An amount computed using the following annual simple interest rates of finance charge:

(i) 22 percent on that part of the outstanding balance not exceeding $1,000; and