

12-308.

(F) A LENDER MAKING OR OFFERING TO MAKE A LOAN SECURED BY RESIDENTIAL REAL PROPERTY SHALL COMPLY WITH § 12-125 OF THIS TITLE, AS APPLICABLE.

12-401.

(b) 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] LENDER Law [-- Licensing Provisions].

(c) "Licensee" means a person who is licensed under the Maryland [Secondary] Mortgage [Loan] LENDER Law [-- Licensing Provisions].

(i) (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 commercial loan of more than \$75,000, as defined in § 12-101(c) of this article.

(3) If a commercial loan of \$75,000 or less is made in the name of an individual, secured by owner-occupied residential real property and not to a business or commercial organization, the MORTGAGE lender [or broker], as defined by the provisions of [§ 12-501] § 11-501 of the Financial Institutions Article, shall document independent evidence that the borrower is seeking funds for a legitimate commercial enterprise before the lender [or broker] grants any loan for that purpose. An affidavit is not by itself evidence of a commercial loan. However, if the borrower is seeking funds to start a business and