

12-1022.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "BORROWER" MEANS A CONSUMER BORROWER WHO MAKES AN APPLICATION FOR A LOAN SECURED BY A FIRST MORTGAGE OR FIRST DEED OF TRUST ON RESIDENTIAL REAL PROPERTY TO BE OCCUPIED BY THE BORROWER AS THE BORROWER'S PRIMARY RESIDENCE.

(3) "COMMITMENT" MEANS A WRITTEN, SPECIFIC, BINDING AGREEMENT BETWEEN A BORROWER AND A LENDER WHICH SETS FORTH THE TERMS OF A LOAN BEING EXTENDED TO THE BORROWER.

(4) "FINANCING AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN A BORROWER AND A LENDER WHICH SETS FORTH THE TERMS OF A PURCHASE MONEY LOAN OR A REFINANCING OF AN EXISTING LOAN THAT:

(I) RESULTS IN OR IS SECURED BY A FIRST MORTGAGE OR A FIRST DEED OF TRUST ON RESIDENTIAL REAL PROPERTY TO BE OCCUPIED BY THE BORROWER; AND

(II) IS OFFERED OR EXTENDED TO THE BORROWER.

(5) (I) "LENDER" MEANS A CREDIT GRANTOR SUBJECT TO THE LICENSING REQUIREMENTS OF TITLE 11, SUBTITLE 5 OF THE FINANCIAL INSTITUTIONS ARTICLE.

(II) "LENDER" DOES NOT INCLUDE A CREDIT GRANTOR EXEMPT FROM LICENSING UNDER § 11-502 OF THE FINANCIAL INSTITUTIONS ARTICLE.

(6) (I) "LOAN APPLICATION" MEANS ANY ORAL OR WRITTEN REQUEST FOR AN EXTENSION OF CREDIT THAT IS MADE IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY A LENDER FOR THE PURPOSE OF INDUCING THE LENDER TO SEEK TO PROCURE OR MAKE A MORTGAGE LOAN.

(II) "LOAN APPLICATION" DOES NOT INCLUDE THE USE OF AN ACCOUNT OR LINE OF CREDIT TO OBTAIN A LOAN WITHIN A PREVIOUSLY ESTABLISHED CREDIT LIMIT.

(B) (1) A LENDER WHO OFFERS TO MAKE OR PROCURE A LOAN SECURED BY A FIRST MORTGAGE OR FIRST DEED OF TRUST ON RESIDENTIAL REAL PROPERTY TO BE OCCUPIED BY THE BORROWER SHALL PROVIDE THE BORROWER WITH A FINANCING AGREEMENT EXECUTED BY THE LENDER WITHIN 10 BUSINESS DAYS AFTER THE DATE THE LOAN APPLICATION IS COMPLETED.

(2) THE FINANCING AGREEMENT SHALL PROVIDE:

(I) THE TERM AND PRINCIPAL AMOUNT OF THE LOAN;

(II) AN EXPLANATION OF THE TYPE OF MORTGAGE LOAN BEING OFFERED;