

12-804.

(a) A mortgage broker may charge a finder's fee not in excess of 8 percent of the amount of the loan or advance.

(b) [A] IN ADDITION TO A FINDER'S FEE, A mortgage broker may charge [a loan application fee not in excess of] A BORROWER FOR the actual cost of any appraisal or credit report obtained by the mortgage broker.

(c) A mortgage broker obtaining a mortgage loan with respect to the same property more than once within a 24-month period may charge a finder's fee only on so much of the loan as is in excess of the initial loan.

(d) The provisions of this section do not apply to:

(1) The charging of fees and charges otherwise permitted under this title; or

(2) Attorney's fees unless the attorney is functioning as a mortgage broker.

(e) A mortgage broker may not charge a finder's fee in any transaction in which [he] THE MORTGAGE BROKER OR AN OWNER, PART OWNER, PARTNER, DIRECTOR, OFFICER, OR EMPLOYEE OF THE MORTGAGE BROKER is the lender[, a partner of the lender, or is a part owner] OR AN OWNER, PART OWNER, PARTNER, DIRECTOR, OFFICER, OR EMPLOYEE of the lender.

12-805.

(a) A mortgage broker may not receive [a finder's fee or loan application] ANY fee in the form of a note, mortgage, or other evidence of indebtedness.

(b) Payment of the finder's fee to the mortgage broker out of the proceeds of the loan is not considered as interest to the lender if the finder's fee is not in excess of that permitted by this subtitle.

(c) If the finder's fee is paid from the proceeds of the loan, the lender shall comply with the disclosure provisions of § 12-106 of this article or the federal Truth in Lending Act and in addition shall advise the borrower, in writing, of [his] THE BORROWER'S right to a refund of the finder's fee upon the exercise of any right of rescission of the loan.

(d) (1) A finder's fee may not be charged unless it is pursuant to a [separate] written agreement between the MORTGAGE broker and THE borrower which is SEPARATE AND distinct from [the loan agreement] ANY OTHER DOCUMENT.

(2) The terms of the proposed agreement shall be disclosed to the borrower before the MORTGAGE broker undertakes to assist the borrower in obtaining a loan or advance of money and shall specify the amount of the finder's fee.