

FINANCIAL INSTITUTION OR A NONPROFIT ORGANIZATION, THAT OWNS AT LEAST 10 PERCENT OF THE APPLICANT OR REGISTRANT, WAS A PRINCIPAL OF A HOME BUILDER THAT HAD A SIMILAR REGISTRATION OR LICENSE DENIED, SUSPENDED, OR REVOKED BY THE UNIT OR IN ANOTHER STATE OR JURISDICTION FOR ANY CAUSE OTHER THAN A FAILURE TO PAY A RENEWAL FEE IF THE UNIT DETERMINES THAT THE INTERESTS OF THE PUBLIC CANNOT BE PROTECTED IF THE APPLICANT OR REGISTRANT IS ALLOWED TO ACT AS A HOME BUILDER IN THE STATE.

(2) FOR THE PURPOSES OF THIS SUBSECTION, THE INTERESTS OF A PRINCIPAL INCLUDE INTERESTS HELD BY THE PARENTS, SPOUSE, OR CHILDREN OF THE PRINCIPAL.

(C) THE UNIT SHALL PROVIDE AN APPLICANT OR REGISTRANT NOTICE AND AN OPPORTUNITY TO REQUEST A HEARING UNDER TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE TO CONTEST A PROPOSED DISCIPLINARY ACTION.

SUBTITLE 4. REMEDIES.

4.5-401.

(A) THE DIVISION SHALL ENCOURAGE THE OWNER OR BUYER TO PURSUE RESOLUTION OF THE DISPUTE PURSUANT TO THE EXISTING CONTRACT.

(B) THE OWNER'S OR BUYER'S REMEDIES UNDER THIS SUBTITLE SHALL NOT SUPERSEDE ANY CONSUMER CONTRACTUAL OBLIGATIONS, AND ARE IN ADDITION TO ANY REMEDIES THE OWNER OR BUYER MAY HAVE UNDER THE CONSUMER PROTECTION ACT OR ANY OTHER LAW.

SUBTITLE 5. PROHIBITED ACTS; PENALTIES.

4.5-501.

(A) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, A PERSON MAY NOT ACT AS, OFFER TO ACT AS, HOLD ONESELF OUT AS, OR IMPERSONATE A REGISTRANT IN THE STATE UNLESS THE PERSON IS A REGISTRANT.

(B) A PERSON THAT VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND, ON FIRST CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$1,000 AND ON SECOND OR SUBSEQUENT CONVICTION, IS SUBJECT TO A FINE NOT EXCEEDING \$5,000.

(C) THE FOLLOWING LENDERS ARE EXEMPT FROM THE REQUIREMENTS RELATING TO REGISTRATION UNDER THIS TITLE WHEN THE LENDER HIRES A SECOND REGISTERED HOME BUILDER WHO WOULD UNDERTAKE TO COMPLETE A FIRST HOME BUILDER'S UNFINISHED PROJECT PURSUANT TO A DEFAULT IN OBLIGATIONS OF THE FIRST HOME BUILDER TO THE LENDER:

(1) A MORTGAGE LENDER AS DEFINED IN § 11-501(J)(1)(II) OF THE FINANCIAL INSTITUTIONS ARTICLE THAT IS A LICENSEE UNDER TITLE 11, SUBTITLE 5 OF THE FINANCIAL INSTITUTIONS ARTICLE;