

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Commercial Law**

12-405.

(a) (1) A lender may collect a loan origination fee [not exceeding the greater of \$500 or 4 percent of the net proceeds of a commercial loan of \$75,000 or less made under this subtitle or not exceeding \$250 or 2 percent of the net proceeds of any other loan under this subtitle] FOR MAKING A LOAN UNDER THIS SUBTITLE ONLY AS PROVIDED IN THIS SECTION.

(2) THE AGGREGATE AMOUNT OF THE LOAN ORIGINATION FEE IMPOSED BY A LENDER UNDER THIS SECTION AND WHEN COMBINED WITH ANY FINDER'S FEE IMPOSED BY A MORTGAGE BROKER UNDER § 12-804 OF THIS ARTICLE MAY NOT EXCEED THE GREATER OF:

(I) \$500 OR 10 PERCENT OF THE NET PROCEEDS OF A COMMERCIAL LOAN OF \$75,000 OR LESS MADE UNDER THIS SUBTITLE; OR

(II) \$250 OR 10 PERCENT OF THE NET PROCEEDS OF ANY OTHER LOAN MADE UNDER THIS SUBTITLE.

(3) [However, the] A lender may not collect from the borrower any other commission, finder's fee, or point for obtaining, procuring, or placing a loan UNDER THIS SUBTITLE.

[(2)] (4) A lender who utilizes the provisions of § 12-404.1 of this title, relating to federal second mortgage purchase programs, is not entitled to the origination fee provided for in subsection [(a)(1)] (A)(2) of this section in addition to the fees; discounts, points, or charges allowed under § 12-404.1(2). All other second mortgage programs in this State are limited to the charges and fees provided in subsection [(a)(1)] (A)(2) of this section.

(b) A lender may collect the fees paid to a public official or governmental agency for recording or satisfying the instrument securing the loan.

(c) (1) A lender may collect from the borrower a delinquent or late charge of the greater of \$2 or 5 percent of the amount of any delinquent or late periodic installment, if:

(i) The delinquency has continued for at least 10 days; and

(ii) A delinquent or late charge has not already been charged for the same delinquency.

(2) The lender shall deduct the charge from the next payment made by the borrower.

12-804.

~~(a) A mortgage broker may charge a finder's fee THAT, IN COMBINATION WITH ALL COMMISSIONS, FINDERS' FEES, AND POINTS FOR PROCURING A LOAN OR~~