

Article - Commercial Law

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§12–1201.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Arranger of financing” means a person that:
 - (1) For a fee or other valuable consideration, whether received directly or indirectly, aids or assists a borrower in obtaining a reverse mortgage loan; and
 - (2) Is not named as the lender in the reverse mortgage loan agreement.
- (c) “Borrower” means an individual who makes a loan application for or receives a reverse mortgage loan.
- (d) “Counseling agency” means an entity approved by the U.S. Department of Housing and Urban Development to provide counseling regarding reverse mortgage loans.
- (e) “Dwelling” has the meaning stated in § 11–501 of the Financial Institutions Article.
- (f) “Lender” means a person who makes a reverse mortgage loan.
- (g) “Person” includes an individual, corporation, business trust, statutory trust, estate, trust, partnership, association, two or more persons having a joint or common interest, or any other legal or commercial entity.
- (h) “Reverse mortgage loan” means a nonrecourse loan that:
 - (1) Is secured by the borrower’s principal dwelling;
 - (2) Provides the borrower with purchase money proceeds, a lump sum payment, periodic cash advances, a line of credit, or any combination of those payment plans based on the equity in or value of the borrower’s principal dwelling; and
 - (3) Requires no payment of principal or interest until the full loan becomes due and payable.

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