

## Article - Commercial Law

[Previous][Next]

§12-405.

(a) (1) A lender may collect a loan origination fee 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 when combined with any finder's fee imposed by a mortgage broker under § 12-804 of this title 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) 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.

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

(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.

[Previous][Next]