



**MARYLAND COMMISSIONER OF
FINANCIAL REGULATION**

INDUSTRY NOTICE

REGULATORY GUIDANCE



July 15, 2024

**NOTICE OF PROPOSED REGULATION:
SHARED APPRECIATION AGREEMENTS**

The Commissioner of Financial Regulation proposes to adopt new Regulations under **COMAR 09.03.15 Shared Appreciation Agreements**.

To view the proposed rule, see the [Maryland Register, Volume 51, Issue 14, Pages 519 \(issued July 12, 2024\)](#). Licensees should review the proposed rule thoroughly.

The purpose of this action is to modernize Maryland's consumer lending regulations as a result of the Legislature's adoption of Ch. 568 (H.B. 1150), Acts of 2023, which confirmed shared appreciation agreements are subject to the Maryland Mortgage Lender Law. This action enhances the Office of Financial Regulation's (OFR's) lending regulations and addresses differences between traditional mortgage loans and shared appreciation agreements by adding: (1) definitions for certain undefined terms used in shared appreciation agreements; (2) a description of the required disclosures in shared appreciation agreements; (3) procedures for the calculation of a property value; and (4) a description of the ability to repay standard.

Comment Period

Please send comments to Amy P. Hennen, Director of Legislative Response and Special Projects, Office of Financial Regulation, by email at amy.hennen@maryland.gov or by phone at 410-230-6094. **Comments will be accepted through August 12, 2024.**

The Office of Financial Regulation, a division of the Maryland Department of Labor, is Maryland's consumer financial protection agency and financial services regulator. For more information, please visit our website at www.labor.maryland.gov/finance.



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