

2611-S

Sponsor(s): House Committee on Financial Institutions & Insurance
(originally sponsored by Representatives Keiser, Wolfe, Benson,
Gardner and Dickerson)

Brief Title: Regulating mortgage insurance.

HB 2611-S - DIGEST

(DIGEST AS ENACTED)

Provides that, if a borrower is required to obtain and maintain mortgage insurance as a condition of entering into a residential mortgage transaction, the lender shall disclose to the borrower whether and under what conditions the borrower has the right to cancel the mortgage insurance in the future.

Declares that, on or after July 1, 1998, no borrower entering into a residential mortgage transaction in which the principal amount of the loan is less than eighty percent of the fair market value of the property shall be required to obtain mortgage insurance. Fair market value for a purchase money loan is the lesser of the sales price or the appraised value.