

HB 1409 -- Mortgage Disclosures

Sponsor: Walton Gray

This bill requires a mortgage company or its loan servicing agents to fully disclose the terms of any notes or deeds of trust to any and all persons having a recorded interest in a real property within 30 days of a request or not less than 30 days prior to the start of any foreclosure proceeding. If a mortgage is in default, anyone having a recorded interest will have 30 days to satisfy the default regardless of who is liable on the loan.

Any authorized lender making a reverse mortgage loan must allow for the repayment of the loan after the death of the person who entered into the loan. The lender must disclose the terms of the loan to any heirs of the real property within 30 days of a request or not less than 30 days prior to the start of any foreclosure proceeding and allow for a repayment period of at least 15 years charging interest at the average rate on mortgage loans in effect as of the date of death. The heir must be named in a will or in letters of administration as an heir or must file an affidavit of death with the recorder of deeds identifying himself or herself as an heir in order to be entitled to obtain the loan information. Any personal representative must be named in a will or appointed by the probate court.