

2002 SESSION

INTRODUCED

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HOUSE BILL NO. 372

Offered January 9, 2002

Prefiled January 8, 2002

A BILL to amend and reenact § 6.1-2.12 of the Code of Virginia, relating to real estate settlements; duties of lender.

Patrons—Athey (By Request) and Black

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § of the Code of Virginia is amended and reenacted as follows:

§ 6.1-2.12. Duty of lender.

The lender shall, at or before loan closing, cause disbursement of loan funds to the settlement agent; however, in the case of a refinancing, or any other loan where a right of rescission applies, the lender shall, within one business day after the expiration of the rescission period required under the federal Truth-in-Lending Act (15 U.S.C. § 1601 et seq.), cause disbursement of loan funds to the settlement agent. The lender shall not be entitled to receive or charge any interest on the loan until disbursement of loan funds and loan closing has occurred. *The lender shall submit all loan documents to the settlement agent not less than seventy-two hours prior to loan closing.*

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