

HOUSE No. 1244

By Mr. Finneran of Boston, petition of the Massachusetts Mortgage Bankers Association, Thomas M. Finneran and Martin T. Reilly for legislation to facilitate the processing of mortgage loans for sale in the secondary mortgage market. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Six.

AN ACT TO FACILITATE THE PROCESSING OF MORTGAGE LOANS FOR SALE IN THE SECONDARY MORTGAGE MARKET.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 183 of the General Laws is hereby amended by striking
2 out section 65, added by Chapter 187 of the Acts of 1985, and
3 inserting in place the following new section: —
4 Section 65. Any mortgagee doing business in the common-
5 wealth who makes in excess of five mortgage loans per year shall
6 accept a written memorandum of a preliminary contract of insur-
7 ance pursuant to section ninety-eight of chapter one hundred and
8 seventy-five as evidence of insurance from any duly licensed agent,
9 broker or insurance company; provided, however, that a contract
10 for insurance for a term of not less than one year is issued within
11 thirty days of said memorandum, or in the event of the cancella-
12 tion of said memorandum, the mortgagee shall be provided with
13 prior written notification thereof.

