

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 698
HOUSE BILL 998

AN ACT AMENDING G.S. 24-14 RELATING TO LOANS SECURED BY SECONDARY
OR JUNIOR MORTGAGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 24-14(b) is amended by adding at the end thereof the words "or any charges as authorized in G.S. 24-15."

Sec. 2. G.S. 24-14(c) is amended by rewriting this statute to read as follows:

"(c) Evidence of hazard insurance may be required by the lender of the borrower. Decreasing term credit life insurance is optional, in an amount not exceeding the sum of the monthly installments payable under the loan and for a period not exceeding the term of the loan; provided (1) that the borrower has indicated a desire to purchase such insurance by signing a statement to that effect, (2) that the borrower is advised that he may acquire this insurance from any insurance carrier, (3) that the borrower is aware that this insurance may be rescinded within 15 days after receipt of the policy, and (4) that the borrower directs the lender to purchase the above insurance from the proceeds of his loan.

The rates for the herein described insurance shall not exceed the standard rates approved by the Commissioner of Insurance for such insurance. Proof of all insurance issued in connection with loans subject to this Article shall be furnished to the borrower within 10 days from the date of application therefor by said borrower."

Sec. 3. G.S. 24-15(a) is amended in the second sentence thereof by deleting the words "Appraisal or recording" and inserting in lieu thereof the words "Charges and", and by deleting the words "for appraisals and registration."

Sec. 4. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 23rd day of June, 1977.