

SENATE BILL NO. _____ HOUSE BILL NO. _____

A BILL to amend the Code of Virginia by adding a section numbered 6.2-419.1, relating to mortgages; annual notice of potential assumption required.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 6.2-419.1 as follows:

§ 6.2-419.1. Annual notice of potential assumption of mortgage.

Where a mortgage lender is required by relevant law to send an annual escrow account statement to an owner of residential real estate that is encumbered by a mortgage, such mortgage lender shall, along with such annual escrow account statement, provide to the owner a notice that such mortgage may be assumable by (i) federal loans backed or insured by the Federal Housing Administration, the U.S. Department of Agriculture, or the U.S. Department of Veterans Affairs or (ii) conventional loans under 12 U.S.C. § 1701j-3 of the federal Garn-St. Germain Depository Institutions Act of 1982, P.L. 97-320.

Such annual notice of potential assumption of a mortgage required by this section shall not be construed to supersede or restrict an owner's right to request or a mortgage lender's requirement to disclose information regarding the terms of assumption pursuant to § 6.2-419.

#

