

286.8-270 Duties of mortgage loan broker -- Advanced disclosure of fee required.

- (1) A mortgage loan broker shall comply with the following duties:
 - (a) A mortgage loan broker shall exercise good faith and fair dealing, shall act in the best interest of the borrower, and shall not compromise a borrower's right or interest in favor of another's right or interest;
 - (b) A mortgage loan broker shall disclose to borrowers all material facts of which the mortgage loan broker has knowledge that might reasonably affect the borrower's rights, interests, or ability to receive the borrower's intended benefit from the residential mortgage loan; and
 - (c) A mortgage loan broker shall provide a written accounting to a borrower for all the borrower's money and property received by the broker.
- (2) Nothing in this section shall prohibit a mortgage loan broker from contracting for or collecting a fee for services rendered from the borrower or lender if the fee has been properly disclosed to the borrower in advance of providing of such services.

Effective: April 24, 2008

History: Amended 2008 Ky. Acts ch. 175, sec. 19, effective April 24, 2008. -- Created 2003 Ky. Acts ch. 64, sec. 9, effective June 24, 2003.

Formerly codified as KRS 294.270.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286.