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**AMENDMENT TO H.R. 1728, AS REPORTED
OFFERED BY MS. BEAN OF ILLINOIS**

At the end of the bill, add the following new title:

1 **TITLE VIII—REAL ESTATE SET-**
2 **TLEMENT PROCEDURES ACT**
3 **REQUIREMENTS RELATING**
4 **TO DOCUMENT INSPECTION**

5 **SEC. 801. CLOSING DOCUMENT INSPECTION BY BOR-**
6 **ROWER.**

7 Section 4 of the Real Estate Settlement Procedures
8 Act of 1974 (12 U.S.C. 2603) is amended by striking sub-
9 section (b) and inserting the following new subsection:

10 “(b) CLOSING DOCUMENT INSPECTION BY BOR-
11 ROWER ONE DAY BEFORE SETTLEMENT.—

12 “(1) LENDER RESPONSIBILITIES.—The lender
13 shall furnish to the settlement agent the completed
14 promissory note, deed of trust or other mortgage in-
15 strument, as the case may be, all items known to the
16 lender that are needed to complete the uniform set-
17 tlement statement, the final Truth-in-Lending Act
18 disclosure, and the final closing instructions at least
19 two business days, but not less than 48 hours, be-
20 fore the scheduled date of settlement. The lender

1 shall not be responsible for furnishing the documents
2 required under this paragraph if the information
3 needed to complete the documents is not within the
4 control of the lender.

5 “(2) BORROWER INSPECTION OF DOCU-
6 MENTS.—The settlement agent shall make available
7 to the borrower for inspection the completed docu-
8 ments set forth in paragraph (1) and the completed
9 uniform settlement statement at least one business
10 day, but not less than 24 hours, preceding the
11 scheduled date of settlement as long as the lender
12 has timely provided the requisite items and docu-
13 ments to the settlement agent, except as provided in
14 paragraph (2) or (3). The settlement agent shall not
15 be responsible for the lender’s failure to comply with
16 paragraph (1).

17 “(3) CORRECTIONS.—Notwithstanding any pro-
18 vision of paragraph (2) to the contrary, the settle-
19 ment agent reserves the right to make corrections to
20 the uniform settlement statement and any related
21 documents prior to the scheduled date of settlement
22 if—

23 “(A) an update of the title search of the
24 prospective mortgaged property reveals liens on
25 record not discovered in previous searches;

1 “(B) subject to the lender’s approval, the
2 borrower’s inspection of the prospective mort-
3 gaged property requires financial adjustments;
4 or

5 “(C) any other matter arises that was not
6 discoverable prior to the dissemination of the
7 documents set forth in paragraph (2).

8 “(4) EXEMPTIONS.—The Secretary may exempt
9 from the requirements of this subsection settlements
10 occurring in localities where the final settlement
11 statement is not customarily provided at or before
12 the date of settlement, or settlements where such re-
13 quirements are impractical.”

