

7-17-2 Definitions.

As used in this chapter:

- (1) "Real estate loan" means any agreement providing for a loan secured by an interest in real estate in this state containing a residential structure of not more than four housing units, at least one of which is the primary residence of the borrower and includes, but is not limited to, agreements secured by mortgages, trust deeds, and conditional land sales contracts.
- (2) "Borrower" means any person who becomes obligated on a real estate loan at the time of origination of such loan and includes mortgagors, trustors under trust deeds and vendees under conditional land sales contracts.
- (3) "Lender" means any person who regularly makes, extends or holds real estate loans and includes, but is not limited to, mortgagees, beneficiaries under trust deeds and vendors under conditional land sales contracts and who regularly require or maintain reserve accounts.
- (4) "Person" includes an individual, a commercial bank, savings bank, building and loan corporation, savings and loan association, credit union, investment company, insurance company, pension fund, mortgage company, trust company, or any other organization making real estate loans.
- (5) "Reserve account" means any account, whether denominated escrow, impound, trust, pledge, reserve or otherwise, which is established in connection with a loan secured by an interest in real estate located in this state, whether or not a real estate loan as defined in this chapter, and whether incorporated into the loan agreement or a separate document, whereby the borrower agrees to make periodic prepayment to the lender or its designee of taxes, insurance premiums or other charges pertaining to the property securing the loan and the lender or its designee agrees to pay the taxes, insurance premiums or other charges out of the account on or before their due date.
- (6) "Service charge" means any direct fee imposed in connection with the administration of a reserve account.
- (7) A loan is "made" when the lender makes its initial disbursement of the loan proceeds.

Amended by Chapter 15, 1981 General Session