

(1) CONSTRUCTION OF A NEW HOME; OR

(2) REPAIRS, ALTERATIONS, OR OTHER WORK REQUIRED BY THE CREDIT GRANTOR.

(D) THIS SECTION DOES NOT APPLY TO AN APPRAISAL OF THE VALUE OF REAL PROPERTY BY A CREDIT GRANTOR OR TO FEES IMPOSED IN CONNECTION WITH AN APPRAISAL.

12-1028.

(A) THIS SECTION APPLIES ONLY TO A LOAN TO A CONSUMER BORROWER SECURED BY A FIRST MORTGAGE OR FIRST DEED OF TRUST ON RESIDENTIAL REAL PROPERTY USED AS THE CONSUMER BORROWER'S PRIMARY RESIDENCE.

(B) A CREDIT GRANTOR MAY REQUIRE A CONSUMER BORROWER TO PAY FOR SERVICES RENDERED BY THE CREDIT GRANTOR'S ATTORNEY ONLY IF THE ATTORNEY'S FEE:

(1) IS LIMITED TO LEGAL SERVICES ATTRIBUTABLE TO PROCESSING AND CLOSING THE LOAN AND NOT TO UNRELATED SERVICES PERFORMED BY THE ATTORNEY FOR THE CREDIT GRANTOR;

(2) IF IN EXCESS OF \$100, IS SUPPORTED BY A STATEMENT PROVIDED TO THE BORROWER AT OR PRIOR TO SETTLEMENT THAT:

(I) DESCRIBES THE SERVICES PERFORMED;

(II) SETS FORTH THE TIME SPENT BY THE ATTORNEY AND THE HOURLY RATE OR OTHER BASIS FOR DETERMINING THE FEE;

(III) STATES THAT THE LEGAL SERVICES ARE BEING PERFORMED ON BEHALF OF THE CREDIT GRANTOR AND NOT ON BEHALF OF THE CONSUMER BORROWER; AND

(IV) STATES THAT THE SERVICES ARE BEING PAID FOR BY THE CONSUMER BORROWER; ~~AND~~

(3) IS REASONABLE ON THE BASIS OF THE LEGAL SERVICES PERFORMED; AND

(4) IS SEPARATELY ITEMIZED ON THE LOAN SETTLEMENT SHEET AND IDENTIFIED AS A FEE TO THE CREDIT GRANTOR'S ATTORNEY.

(C) (1) A CREDIT GRANTOR MAY NOT REQUIRE AS A CONDITION OF SETTLEMENT THAT A CONSUMER BORROWER EMPLOY A PARTICULAR ATTORNEY OR TITLE INSURANCE COMPANY TO PERFORM A TITLE SEARCH, EXAMINATION OF TITLE, OR CLOSING IF: