

By: Solomons

H.B. No. 1493

A BILL TO BE ENTITLED

1 AN ACT

2 relating to authorizing a mortgage servicer to conduct a
3 foreclosure sale on behalf of a mortgagee.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Chapter 51, Property Code, is amended by adding
6 Section 51.0021 to read as follows:

7 Sec. 51.0021. MORTGAGE SERVICER AUTHORIZED TO CONDUCT SALE.

8 (a) In this section:

9 (1) "Mortgage" means a deed of trust or other contract
10 lien on an interest in real property.

11 (2) "Mortgagee" means:

12 (A) the grantee of a mortgage; or

13 (B) if a mortgage has been assigned of record,
14 the last person to whom the mortgage has been assigned of record.

15 (3) "Mortgage servicer" means the last person to whom
16 a mortgagor has been instructed by a mortgagee to send payments for
17 the loan secured by a mortgage.

18 (4) "Mortgagor" means the grantor of a mortgage.

19 (b) A mortgage servicer may conduct a sale of real property
20 under Section 51.002 on behalf of a mortgagee if:

21 (1) the mortgage servicer and the mortgagee have
22 entered into an agreement granting the mortgage servicer authority
23 to service the mortgage; and

24 (2) the mortgage servicer discloses in the notices

1 required under Section 51.002 that the servicer is representing the
2 mortgagee under a servicing agreement with the mortgagee.

3 SECTION 2. This Act takes effect September 1, 2003.