

Amend HB 2207 (Senate committee printing) as follows:

(1) In SECTION 1 of the bill, in the recital (page 1, line 12), strike "Section 5.016" and substitute "Sections 5.016 and 5.019".

(2) In SECTION 1 of the bill, immediately following added Section 5.016, Property Code (page 2, between lines 25 and 26), insert the following:

Sec. 5.019. ANNUAL ACCOUNTING STATEMENTS REQUIRED FOR SELLER-FINANCED SALES OF RESIDENTIAL REAL PROPERTY. (a) This section applies only to a seller of residential real property who finances the sale of residential real property owned by the seller by delivering title to the property to the purchaser in exchange for an agreement by the purchaser to pay the purchase price to the seller by periodic installments.

(b) A seller who enters into a transaction described by Subsection (a) shall provide the purchaser with an annual accounting statement in January of each year until the property is fully paid for by the purchaser. If the seller mails the statement to the purchaser, the statement must be postmarked not later than January 31.

(c) The statement required by Subsection (b) must include the following information:

(1) the total amount paid by the purchaser toward the price of the residential real property;

(2) the remaining amount owed to the seller;

(3) the number of payments remaining; and

(4) the amounts paid to taxing authorities on the purchaser's behalf if collected by the seller.

(d) A seller must provide, at no cost to the purchaser, a written statement of the amount of the purchase price still owed by the purchaser not later than the 10th day after the date the purchaser makes a written request for the statement if that request is the only request the purchaser has made for a statement of the amount of the purchase price still owed by the purchaser in the month in which the request is made.

(e) Except as provided by Subsection (f), a seller who fails to comply with Subsection (b) is liable to the purchaser for:

(1) actual damages;

(2) additional damages in the amount of \$500 for each annual statement the seller fails to provide to the purchaser within the time required by Subsection (b); and

(3) reasonable attorney's fees.

(f) A seller who does not conduct two or more transfers in a 12-month period that are subject to this section and who fails to comply with Subsection (b) is liable to the purchaser for:

(1) a civil penalty in the amount of \$100 for each annual statement the seller fails to provide to the purchaser within the time required by Subsection (b); and

(2) reasonable attorney's fees.

(g) A seller who fails to comply with Subsection (d) is liable to the purchaser for:

(1) actual damages;

(2) additional damages in the amount of \$100 for each statement the seller fails to provide to the purchaser within the time required by Subsection (d); and

(3) reasonable attorney's fees.

(h) A purchaser may deduct an amount owed to the purchaser by the seller under Subsection (e), (f), or (g).

(i) A seller who fails to comply with Subsection (b) after receiving a written notice from the purchaser of the seller's violation may not controvert a sworn statement from the purchaser regarding a fact required to be reflected in the statement.

(j) An agreement that purports to waive a right or exempt a party from a liability or duty under this section is void and unenforceable.

(k) This section does not apply to a transfer:

(1) pursuant to a court order or foreclosure sale;

(2) by a trustee in bankruptcy;

(3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;

(4) by a mortgagee or a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a power of sale under a deed of trust or a sale pursuant

to a court-ordered foreclosure or has acquired the real property by a deed in lieu of foreclosure;

(5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;

(6) from one co-owner to one or more other co-owners;

(7) made to a spouse or to a person or persons in the lineal line of consanguinity of one or more of the transferors;

(8) between spouses resulting from a decree of dissolution of marriage or a decree of legal separation or from a property settlement agreement incidental to such a decree; or

(9) to or from any governmental entity.

(3) Strike SECTION 2 of the bill (page 2, lines 26-32) and substitute the following:

SECTION 2. (a) Except as provided by this section, this Act applies only to a transfer of property that occurs or a contract entered into on or after the effective date of this Act. A transfer that occurs or a contract entered into before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b) Section 5.019, Property Code, as added by this Act, applies to a financing agreement entered into before, on, or after the effective date of this Act.