

Amend CSSB 987 (Senate committee printing) as follows:

(1) In SECTION 1 of the bill, strike proposed Subsection (a), Section 343.105, Finance Code (page 1, lines 16-26), and substitute the following:

(a) In this section, "complex loan" means a loan:

(1) that has a principal amount of less than \$125,000;

(2) that is secured by a first lien or security interest against one-to-four family residential real property;

(3) for which the ratio of the aggregate of the principal balance of all loans secured by the property to the value of the property on the date of closing is at least 90 percent;

(4) that is made to a borrower who has a credit score of not more than 650; and

(5) that contains:

(A) a variable interest rate;

(B) a prepayment penalty;

(C) a provision that permits the payment of interest only;

(D) a provision that permits periodic payments that are less than the amount of accrued interest on the scheduled payment date; or

(E) a provision for a scheduled payment that is more than twice as large as the average of earlier scheduled monthly payments.

(2) In SECTION 1 of the bill, in proposed Subsection (b), Section 343.105, Finance Code (page 1, lines 27-28), strike "high-risk loan for less than \$125,000" and substitute "complex loan".

(3) In SECTION 1 of the bill, in proposed Subdivision (1), Subsection (b), Section 343.105, Finance Code (page 1, line 36), strike "high-risk" and substitute "complex".

(4) In SECTION 1 of the bill, in proposed Subdivision (2), Subsection (c), Section 343.105, Finance Code (page 1, line 45), strike "high-risk" and substitute "complex".

(5) In SECTION 1 of the bill, in proposed Subdivision (3), Subsection (c), Section 343.105, Finance Code (page 1, line 46), strike "alternatives are available" and substitute "alternatives".

may be available".

(6) In SECTION 1 of the bill, immediately following proposed Subsection (f), Section 343.105, Finance Code (page 1, between lines 56 and 57), insert the following:

(g) An attorney who counsels a loan applicant under Subsection (b) may not represent or advise another party to the loan.

(h) A violation of this section by a lender does not invalidate or impair the lien or security interest for the complex loan.

(i) The finance commission by rule may adopt a reasonable fee that a person who provides counseling to a loan applicant under this section may charge the loan applicant.