

By: Miles

H.B. No. 1218

A BILL TO BE ENTITLED

AN ACT

1
2 relating to foreclosure sales of residential real property occupied
3 by a tenant.

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

5 SECTION 1. Section 24.005(b), Property Code, is amended to
6 read as follows:

7 (b) If the occupant is a tenant at will or by sufferance, the
8 landlord must give the tenant at least three days' written notice to
9 vacate before the landlord files a forcible detainer suit unless
10 the parties have contracted for a shorter or longer notice period in
11 a written lease or agreement. If a building is purchased at a tax
12 foreclosure sale or a trustee's foreclosure sale under a lien
13 superior to the tenant's lease and the tenant timely pays rent and
14 is not otherwise in default under the tenant's lease after
15 foreclosure, the purchaser must give a residential tenant of the
16 building at least 90 [~~30~~] days' written notice to vacate if the
17 purchaser chooses not to continue the lease. The tenant is
18 considered to timely pay the rent under this subsection if, during
19 the month of the foreclosure sale, the tenant pays the rent for that
20 month to the landlord before receiving any notice that a
21 foreclosure sale is scheduled during the month or pays the rent for
22 that month to the foreclosing lienholder or the purchaser at
23 foreclosure not later than the fifth day after the date of receipt
24 of a written notice of the name and address of the purchaser that

1 requests payment and, if applicable, pays to the purchaser each
2 rental payment that becomes due under the existing lease after the
3 month of the foreclosure sale and before the date on which the
4 tenant is required to vacate. Before a foreclosure sale, a
5 foreclosing lienholder may give written notice to a tenant stating
6 that a foreclosure notice has been given to the landlord or owner of
7 the property and specifying the date of the foreclosure.

8 SECTION 2. The changes in law made by this Act apply only to
9 residential real property purchased at a foreclosure sale on or
10 after the effective date of this Act. Residential real property
11 purchased at a foreclosure sale before the effective date of this
12 Act is governed by the law in effect immediately before the
13 effective date of this Act, and that law is continued in effect for
14 that purpose.

15 SECTION 3. This Act takes effect September 1, 2011.