

## CS/HB 643 - Foreclosure Fraud

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**GENERAL BILL** by Jobs & Entrepreneurship Council and Ford (CO-SPONSORS) Ambler; Brisé; Bucher; Bullard; Chestnut; Gibbons; Gibson, H.; Gonzalez; Hasner; Homan; Hukill; McKeel; Patronis; Reagan; Richardson; Richter; Roberson; Schenck; Schultz; Weatherford; Zapata

**Foreclosure Fraud:** Provides legislative findings & intent relating to need to protect homeowners who enter into agreements designed to save homes from foreclosure; prohibits foreclosure consultants from engaging in specified acts or failing to perform contracted services; requires all agreements for foreclosure-related services & foreclosure-rescue services to be in writing; specifies required information in written agreements; requires statements in written agreements to be in uppercase letters of specified size; provides homeowners with right to cancel agreement for specified period & specifies right may not be waived; provides homeowner has specified period during which to cure defaults; requires equity purchasers to verify homeowner's ability to make payments under repurchase agreement; provides for rebuttable presumption of specified transactions being unconscionable; provides that foreclosure-rescue transactions involving lease option or other repurchase agreement create rebuttable presumption that transaction is loan transaction & conveyance from homeowner to equity purchaser is mortgage; provides for limited application of presumptions & for exclusions; provides that persons who violate specified provisions commits unfair & deceptive trade practice; repeals provision relating to violations involving individual homeowners during course of residential foreclosure proceedings.

**Effective Date:** October 1, 2008