

HOUSE BILL 3057

By Dennis

AN ACT to amend Tennessee Code Annotated, Title 25; Title 28 and Title 35, relative to judicial or trust sales.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 35, Chapter 5, Part 1, is amended by adding the following as a new section:

Section 35-5-117. Upon any sale of real property to foreclose a deed of trust, mortgage, or other lien securing the payment of money or other thing of value, or under judicial order or process, where the mortgaged property sells for less than the amount due on the mortgage debt and costs of sales, an action to recover the balance due upon the obligation shall be commenced within the latter of either one (1) year following conclusion of the foreclosure proceedings or six (6) years following default on the loan by the debtor.

SECTION 2. Tennessee Code Annotated, Section 28-3-109, is amended by adding the following as a new subsection (d):

(d) The cause of action to recover the balance due upon a deed of trust, mortgage, or other lien securing the payment of money or other thing of value, or under judicial order or process, where the mortgaged property sells for less than the total amount due on the mortgage debt and costs of sale, shall be commenced within the period provided for in § 35-5-117.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.