

SENATE BILL 2399

By Green

AN ACT to amend Tennessee Code Annotated, Title 8;
Title 16; Title 21; Title 26 and Title 35, relative to
the sale of property.

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 language as a new section:

35-5-117.

(a) Within five (5) days of a sale of land for the foreclosure of a deed of trust pursuant to this chapter, the trustee or substitute trustee may rescind such sale and trustee's deed or similar document of conveyance by filing an affidavit to rescind trustee's deed and sale with the applicable register of deeds.

(b) Damages for the rescission of such sale by the trustee shall be limited to the following:

- (1) Return of the purchase price;
- (2) Lost interest paid by the purchaser who purchased at the foreclosure sale as a result of the rescission of trustee's deed or similar document of conveyance; and
- (3) Any related recording fees paid by the purchaser at the foreclosure sale.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.