

**RECENT DEVELOPMENTS IN RESIDENTIAL HOME
FORECLOSURE LITIGATION: RULE 736 EXPEDITED
FORECLOSURES AND CONSUMER PROTECTION
UNDER THE DODD-FRANK ACT**

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 B. Home equity loans, HELOCs, and reverse mortgages are all different means by which homeowners may access the equity in their homestead properties through a loan rather than through a sale. 1

 C. The Texas Supreme Court enacted Texas Rules of Civil Procedure 735 and 736 in response to the legislature’s instruction to “promulgate rules of civil procedure for expedited foreclosure proceedings related to the foreclosure of liens.” 1

 D. In 2007, the Texas Legislature determined that transferred tax liens created under Tex. Tax Code § 32.06 and 32.065 should also require a court order under Rule 736 before a lender could foreclose..... 2

 E. In response to the Legislature’s determination, the Texas Supreme Court appointed a new Task Force to amend Rules 735 and 736 to accommodate tax loan liens. 2

 F. Later, in 2011, the 82nd Legislature added Tex. Prop. Code § 209.0091 and 209.0092 pertaining to foreclosures of property owners association (POA) assessment liens..... 2

 G. The Legislature instructed the Texas Supreme Court to “adopt rules establishing expedited foreclosure proceedings for use by a property owner’s association in foreclosing an assessment lien...substantially similar to the rules adopted by the supreme court under § 50(r), Article XVI, Texas Constitution.” 3

 H. The Task Force presented a proposed version of the rules to the Supreme Court in September 2011. 3

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 B. Many homeowners feel unprotected by Rule 736. 7

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 A. The Hon. Martin Hoffman has served as the Presiding Judge of the 68th District Court in Dallas since 2007. 8

 B. Therefore, Judge Hoffman created and implemented the “4Ms” program, which is a comprehensive four-point approach designed to meet the goal of ensuring that home owners in Texas do not lose their homes due to the lack of an actual notice requirement or because of a miscommunication with the lender. 8

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