



Agency Bulletin: AGTX-2020-006

Date: September 18, 2020
To: FNTI Texas Agents
From: FNTI Agency Department
RE: Uniform Payoff Statement

This past year, The Texas Department of Savings and Mortgage Lending (TDSML), operating on behalf of the Finance Commission of Texas (and in coordination with the Texas Department of Banking and Office of the Consumer Credit Commissioner) initiated the process to make proposed revisions to the payoff statements used in Texas mortgage transactions.

TLTA staff and TLTA's Regulatory Committee were actively involved in making recommendations on the proposed changes including the addition of information on the loan number and the original loan amount. TLTA stated these changes "would address a common issue faced by title agents in Texas seeking to payoff mortgages. Often times, there will be multiple loans on a single piece of property with the same lender. In this event, it is not readily apparent based on the payoff statement which loan is the proper loan (or lien) to pay off. By adding a place for this information to the promulgated Payoff Statement, mistakes can more easily be avoided, and the time required for these transactions reduced. The ultimate result is more protection for the consumer by helping decrease the opportunity for a mistake regarding the payoff of their liens and the hardships that can result from such a mistake."

The new uniform payoff statement incorporates the revisions TLTA requested and was recently published in the Texas Register. The new uniform payoff statement will be effective September 20, 2020 and will be used by the Texas Department of Banking, TDSML, and the Office of Consumer Credit Commissioner. A link to the new uniform payoff statement was provided in the most recent edition of TLTA Dateline Austin on September 16, 2020 and is attached to this bulletin on next page.

PAYOFF STATEMENT FORM

Name of Mortgage Servicer _____ REQUEST DATE: ___/___/___
 Name of Representative _____
 Street or E-mail Address _____ SENT BY: Mail E-mail
 City, State, Zip Code _____ Facsimile

LOAN INFORMATION

MORTGAGOR: _____ NEXT PAYMENT DUE DATE: ___/___/___
 COLLATERAL: _____ LOAN TYPE: _____
 LOAN NUMBER: _____ ORIGINAL LOAN AMOUNT: _____

AMOUNT DUE

THIS STATEMENT REFLECTS THE TOTAL AMOUNT DUE UNDER THE TERMS OF THE NOTE/SECURITY INSTRUMENT THROUGH THE CLOSING DATE WHICH IS ___/___/_____. If this obligation is not paid in full by this date, then you should obtain from us an updated payoff amount before closing.

Total Principal, Interest, and other amounts due under the Note/Security Instrument:

Unpaid Principal Balance:	\$	
Interest through ___/___/_____	\$	
Less Reductions in amount due	\$	
_____	\$	
_____	\$	
_____	\$	
_____	\$	
TOTAL AMOUNT DUE:	\$	

WHERE TO SUBMIT PAYOFF FUNDS

WIRE TRANSFER

Beneficiary Name: _____
 Beneficiary/Receiving Bank: _____
 Beneficiary Bank ABA: _____
 Beneficiary Bank Account: _____
 Special Information to Beneficiary: _____

OVERNIGHT MAIL

Attention: _____
 Company: _____
 Address: _____

LEGAL NOTICES

TEXAS FINANCE CODE § 343.106 REQUIRES PAYOFF STATEMENT CONTAIN CLOSING DATE AND DATE THROUGH WHICH PAYOFF AMOUNT IS VALID. THESE REQUIREMENTS CANNOT BE DELETED FROM PAYOFF STATEMENT.

REQUEST TO RESPOND TO A REQUEST MADE UNDER THE STATUTE.
ANY AMOUNT HELD IN ESCROW AT CLOSING WILL BE SETTLED IN ACCORDANCE WITH APPLICABLE FEDERAL LAW.

TEXAS FINANCE CODE § 343.106 REQUIRES THE IMPLEMENTING RULE TO ALLOW MORTGAGE SERVICERS AT LEAST SEVEN (7) BUSINESS DAYS FROM THE DATE OF RECEIPT OF PAYOFF

OPTIONAL SECTIONS

ORIGINAL LOAN AMOUNT:

This is an Adjustable Rate Mortgage. Under the terms of this loan the next Change Date for the interest rate charged is ___/___/_____. We will only issue a payoff good through the next Change Date. If the closing date is past the next Change Date an updated Payoff Statement from us will be required.

If loan has quotable per diem interest, then "Funds received after ___/___/_____ will be subject to an additional \$ _____ of interest per day." FUNDS MUST BE RECEIVED BY _____ FOR SAME-DAY PROCESSING. PAYOFFS ARE NOT POSTED ON WEEKENDS OR HOLIDAYS. INTEREST WILL BE ADDED TO THE ACCOUNT FOR THESE DAYS.

NOTE: This Note/Security Instrument is due for payment on ___/___/_____. If payment is not received within _____ days of the current payment due date, a late charge of \$ _____ will be assessed. Please add that amount to the payoff total.

Escrow Disbursement Amounts & Dates:

Description(s):	Amount(s) Held:	Next Disbursement Date(s):
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

Release of Lien Processing: