

## How to Foreclose on Personal Property in Texas

### Article 9 of the UCC

- Provides statutory framework
- Remedies
- Safe Harbors
- Key concepts
  - Notice
  - Commercially Reasonable
  - Consumer v. Non-consumer transactions

## Default

- Chapter 6 remedies arise upon default
- Default is not defined.
- Look to:
  - Agreement
  - Interpretation under non-Article 9 law

## Notice of Default

- Texas law requires a secured party to give notice of default
- Note must be presented before the right to accelerate is exercised
- Note holder must notify maker of both his intent to accelerate and of acceleration

## Remedies upon default § 9.601

- Reduce claim to judgment
- Foreclose
- Enforce by judicial procedure
- Proceed as to documents

## Remedies are cumulative

- § 9.601(c) – rights under § § 9.601(a) & (b) may be exercised simultaneously
- If the security agreement covers both real property or fixtures and personal property, secured party may proceed:
  - Under UCC for personal property and under deed of trust for real property; or
  - Under deed of trust for both personal and real property

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

## Title search: How to Foreclose Personal Property

Also available as part of the eCourse

[2017 William W. Gibson, Jr. Mortgage Lending eConference](#)

First appeared as part of the conference materials for the  
51<sup>st</sup> Annual William W. Gibson, Jr. Mortgage Lending Institute session  
**"How to Foreclose Personal Property"**