

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
HOUSE BILL NO. 2636
103RD GENERAL ASSEMBLY

6376S.03T

2026

AN ACT

To amend chapters 379, 407, 442, and 443, RSMo, by adding thereto nine new sections relating to transactions involving real estate, with penalty provisions and a severability clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapters 379, 407, 442, and 443, RSMo, are amended by adding thereto
2 nine new sections, to be known as sections 379.135, 407.3600, 442.920, 443.920, 443.921,
3 443.922, 443.923, 443.924, and 443.925, to read as follows:

**379.135. 1. Upon payment by an insurer of all or any part of a claimant's
2 property damage claim, legal title to the portion of the claim paid shall vest in the
3 insurer to the extent of such payment. No assignment or other action by the claimant
4 shall be required for the insurer to enforce its legal title. The claimant shall retain legal
5 title only to that portion of the property damage claim not paid by the insurer.**

**6 2. Notwithstanding the provisions of subsection 1 of this section to the contrary,
7 an insured under a policy of insurance shall not, before or after a claimed or covered
8 loss, assign or otherwise transfer, in whole or in part, the insured's:**

9 (1) Duties under the policy; or

**10 (2) Rights or benefits arising from the policy or any duties owed by the insurer
11 under the policy.**

**12 3. Any contract entered into in violation of this section shall be void and
13 unenforceable.**

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 **4. Nothing in this section shall be construed to prohibit an insured from**
15 **exercising any express authority granted under a policy of insurance to authorize or**
16 **direct payment to, or to pay, a person for services, materials, or any other thing that**
17 **may be, or is, covered under the policy.**

407.3600. 1. For purposes of this section, the following terms mean:

2 **(1) "Residential real property", real property that is improved by a building or**
3 **other structure that has one to four dwelling units;**

4 **(2) (a) "Wholesaler", a person or entity that for a fee, commission, or other**
5 **valuable consideration, or with the intention, expectation, or upon the promise of**
6 **receiving or collecting a fee, commission, or other valuable consideration, enters into a**
7 **purchase contract for residential real property either:**

8 **a. As the grantee, and assigns or novates the contract to another person or**
9 **entity; or**

10 **b. As the grantor, and, without holding legal title to the real property, assigns or**
11 **novates the contract to another person or entity.**

12 **(b) "Wholesaler" shall not include:**

13 **a. An individual who assigns or novates the contract to another individual who is**
14 **a relative within the third degree of consanguinity or affinity; or**

15 **b. A person or entity that assigns or novates the contract to a parent, affiliate,**
16 **subsidiary, or affiliated group under common control with the person or entity.**

17 **2. Not less than fourteen calendar days before entering into a contract that**
18 **transfers an interest in residential real property, a wholesaler acting as a grantee or a**
19 **wholesaler's representative, if applicable, shall provide to the record owner a written**
20 **disclosure statement, separate from the purchase contract or agreement, printed in**
21 **boldface type font size not less than twelve points, that contains the following disclosure:**

22 **Missouri law requires a wholesaler acting as a grantee, before**
23 **entering into a contract or agreement that conveys an interest in**
24 **residential real property, to provide certain information to the**
25 **record owner in a conspicuous manner printed in boldface type**
26 **font size not less than twelve points. Failure by a wholesaler to**
27 **present or complete this form shall be considered an unlawful and**
28 **unfair practice under the Missouri Merchandising Practices Act.**
29 **Any person who enters into an agreement that conveys an interest**
30 **in residential real property to a wholesaler acting as a grantee**
31 **without receiving this disclosure has a cause of action against the**
32 **wholesaler. A wholesaler acting as a grantee is prohibited from**
33 **entering into a binding contract to acquire an interest in**

34 residential real property unless this statement is signed and dated
35 by the record owner of the property.

36 The owner acknowledges that the person presenting this
37 document is a wholesaler, as defined in section 407.3600 of the
38 Revised Statutes of Missouri, and that the owner is advised to seek
39 legal advice before entering into any agreement or contract with
40 the wholesaler. A wholesaler is acting on the wholesaler's own
41 behalf and does not represent the owner in this transaction. A
42 wholesaler enters assignable contracts with owners and seeks to
43 sell or assign the wholesaler's interest for a profit. The wholesaler
44 may assign the wholesaler's interest in the purchase contract to a
45 third party without the owner's consent before closing. The
46 wholesaler may charge a fee to the third-party buyer separately
47 for profit. The agreed purchase price between the owner and
48 wholesaler may be below market value and is conveyed
49 voluntarily.

50 The owner acknowledges disclosure of the information provided
51 in this form by signing and dating below:

52 _____ (Property owner signature) ____ (date)

53 _____ (Wholesaler signature) ____ (date).

54 3. A wholesaler acting as the grantee shall not enter into a binding contract that
55 transfers an interest in residential real property until both the wholesaler and the record
56 owner of the property sign and date the disclosure statement required under subsection
57 2 of this section.

58 4. If a wholesaler acting as the grantee fails to make the disclosures pursuant to
59 subsection 2 of this section before entering into a binding contract that transfers an
60 interest in residential real property, the record owner of the residential real property
61 may cancel the contract at any time prior to the close of escrow without penalty and the
62 escrow or closing agent shall disburse any earnest money paid by the wholesaler to the
63 record owner within thirty days after such cancellation.

64 5. Provisions of this section shall not be modified or waived by any oral or
65 written agreement. Any portion of an agreement that is executed, modified, or extended
66 after the effective date of this section that modifies or waives any provision of this
67 section shall be null and void.

68 6. Any violation of this section shall be considered an unlawful practice under
69 the Missouri merchandising practices act under this chapter. A party that enters into an

70 agreement without receiving the disclosures required under subsection 2 of this section
71 may bring a private action against a wholesaler.

72 7. The attorney general shall have the authority to enforce the provisions of this
73 section. If the attorney general finds that a violation occurred, the attorney general may
74 commence a civil action in a court of competent jurisdiction. If the court finds that a
75 violation occurred, the court may grant damages, injunctive relief, attorney fees, and
76 any such other relief the court finds appropriate.

442.920. 1. This section shall be known and may be cited as the "Missouri
2 Residential Sale Leaseback Protection Act".

3 2. For purposes of this section, the following terms mean:

4 (1) "Buyer", any person or entity that acquires an ownership interest in
5 residential real estate in a sale leaseback transaction;

6 (2) "Residential real estate", real property that is improved by a building or
7 other structure that has one to four dwelling units;

8 (3) "Sale leaseback", a transaction or series of transactions in which a seller sells
9 residential real estate that is or was the seller's residence to another party and, as a
10 condition of the sale, or as part of the same or a related transaction, enters into a lease
11 or rental agreement to remain in or re-occupy the property;

12 (4) "Seller", any natural person who transfers an ownership interest in
13 residential real estate in a sale leaseback transaction.

14 3. (1) In any sale leaseback transaction, the buyer shall provide the seller with
15 the following disclosure on a single page in a clear and conspicuous manner, printed in
16 boldface type:

17 If you sign a sale leaseback agreement, you are entering into a
18 contract to sell your home. This means you will no longer own your
19 home.

20 You may be subject to eviction if you do not follow the lease terms.

21 You may lose the right to buy back your home.

22 This may affect your credit, taxes, and legal rights.

23 You are encouraged to speak with:

24 (1) An attorney;

25 (2) A real estate agent;

26 (3) A housing counselor;

27 (4) A tax advisor; and

28 (5) A real estate appraiser.

29 No sale leaseback can be closed for at least thirty (30) days after
30 signing an agreement.

31 **Do not sign unless you fully understand the terms.**

32 **(2) The disclosure required by subdivision (1) of this subsection shall be**
33 **provided to the seller not less than fourteen calendar days prior to execution of any sale**
34 **leaseback agreement, and the disclosures shall be signed by both the seller and the buyer**
35 **concurrently with the execution of the sale leaseback agreement.**

36 **(3) A copy of the signed disclosure required by subdivision (1) of this subsection**
37 **shall be provided to the seller within five days of the execution of the sale leaseback**
38 **agreement.**

39 **4. There shall be no delivery, recording, or other transfer of title from seller to**
40 **buyer until thirty days after the execution of any sale leaseback agreement.**

41 **5. (1) Any violation of the provisions of this section shall be subject to a civil**
42 **penalty not to exceed ten thousand dollars per violation.**

43 **(2) The attorney general may bring an action to enforce this section, including**
44 **actions for injunctive relief, civil penalties, and restitution.**

45 **(3) Any seller harmed by a violation of this section may bring a civil action to**
46 **recover:**

47 **(a) Actual damages;**

48 **(b) Statutory damages of ten thousand dollars, which shall be in addition to any**
49 **actual damages proven;**

50 **(c) Attorneys' fees and costs; and**

51 **(d) Equitable or injunctive relief.**

52 **6. No provision of this section shall be modified or waived by any agreement.**
53 **Any portion of an agreement that is executed, modified, or extended after the effective**
54 **date of this section that modifies or waives a duty or remedy under this section is void ab**
55 **initio and unenforceable.**

443.920. Sections 443.920 to 443.925 shall be known and may be cited as the
2 **"Uniform Mortgage Modification Act".**

443.921. For purposes of sections 443.920 to 443.925, the following terms mean:

2 **(1) "Electronic", relating to technology having electrical, digital, magnetic,**
3 **wireless, optical, electromagnetic, or similar capabilities;**

4 **(2) "Financial covenant", an undertaking to demonstrate an obligor's**
5 **creditworthiness, or the adequacy of security provided by an obligor;**

6 **(3) "Modification", includes any change, amendment, revision, correction,**
7 **addition, supplementation, elimination, waiver, and restatement;**

8 **(4) "Mortgage":**

9 **(a) An agreement that creates a consensual interest in real property to secure**
10 **payment or performance of an obligation, regardless of:**

11 **a. How the agreement is denominated, including a mortgage, deed of trust, trust**
12 **deed, security deed, indenture, and deed to secure debt; and**

13 **b. Whether the agreement also creates a security interest in personal property;**
14 **and**

15 **(b) Does not include an agreement that creates a consensual interest to secure a**
16 **liability owed by a unit owner to a condominium association, owners' association, or**
17 **cooperative housing association for association dues, fees, or assessments;**

18 **(5) "Mortgage modification", modification of:**

19 **(a) A mortgage;**

20 **(b) An agreement that creates an obligation, including a promissory note, loan**
21 **agreement, or credit agreement; or**

22 **(c) An agreement that creates other security or credit enhancement for an**
23 **obligation, including an assignment of leases or rents or a guaranty;**

24 **(6) "Obligation", a debt, duty, or other liability, secured by a mortgage;**

25 **(7) "Obligor", a person that:**

26 **(a) Owes payment or performance of an obligation;**

27 **(b) Signs a mortgage; or**

28 **(c) Is otherwise accountable, or whose property serves as collateral, for payment**
29 **or performance of an obligation;**

30 **(8) "Person", an individual, estate, business or nonprofit entity, government or**
31 **governmental subdivision, agency, or instrumentality, or other legal entity;**

32 **(9) "Recognized index", an index to which changes in the interest rate may be**
33 **linked that is:**

34 **(a) Readily available to, and verifiable by, the obligor; and**

35 **(b) Beyond the control of the person to whom the obligation is owed;**

36 **(10) "Record", used as a noun, means information:**

37 **(a) Inscribed on a tangible medium; or**

38 **(b) Stored in an electronic or other medium and retrievable in perceivable form;**

39 **(11) "Sign", with present intent to authenticate or adopt a record:**

40 **(a) Execute or adopt a tangible symbol; or**

41 **(b) Attach to or logically associate with the record an electronic symbol, sound,**
42 **or process.**

443.922. 1. Except as provided in subsection 3 of this section, sections 443.920 to
2 **443.925 apply to a mortgage modification.**

3 **2. Sections 443.920 to 443.925 do not affect:**

- 4 **(1) Laws governing the required content of a mortgage;**
5 **(2) A statute of limitations or other law governing the expiration or termination**
6 **of a right to enforce an obligation or a mortgage;**
7 **(3) A recording statute;**
8 **(4) A statute governing the priority of a tax lien or other governmental lien;**
9 **(5) A statute of frauds; or**
10 **(6) Except as provided in subdivision (8) of subsection 2 of section 443.923, law**
11 **governing the priority of a future advance.**
- 12 **3. Sections 443.920 to 443.925 do not apply to any of the following modifications:**
13 **(1) A release of, or addition to, property encumbered by a mortgage;**
14 **(2) A release of, addition of, or other change in an obligor; or**
15 **(3) An assignment or other transfer of a mortgage or an obligation.**
- 443.923. 1. For a mortgage modification described in subsection 2 of this**
2 **section:**
3 **(1) The mortgage continues to secure the obligation as modified;**
4 **(2) The priority of the mortgage is not affected by the modification;**
5 **(3) The mortgage retains its priority regardless of whether a record of the**
6 **mortgage modification is recorded in the public land records; and**
7 **(4) The modification is not a novation.**
- 8 **2. Subsection 1 of this section applies to one or more of the following mortgage**
9 **modifications:**
10 **(1) An extension of the maturity date of an obligation;**
11 **(2) A decrease in the interest rate of an obligation;**
12 **(3) If the change does not result in an increase in the interest rate of an**
13 **obligation as calculated on the date the modification becomes effective:**
14 **(a) A change to a different index that is a recognized index if the previous index**
15 **to which changes in the interest rate were linked is no longer available;**
16 **(b) A change in the differential between the index and the interest rate;**
17 **(c) A change from a floating or adjustable rate to a fixed rate; or**
18 **(d) A change from a fixed rate to a floating or adjustable rate based on a**
19 **recognized index;**
20 **(4) A capitalization of unpaid interest or other unpaid monetary obligation;**
21 **(5) A forgiveness, forbearance, or other reduction of principal, accrued interest,**
22 **or other monetary obligation;**
23 **(6) A modification of a requirement for maintaining an escrow or reserve**
24 **account for payment of an obligation, including taxes and insurance premiums;**
25 **(7) A modification of a requirement for acquiring or maintaining insurance;**

- 26 **(8) A modification of an existing condition to advance funds;**
- 27 **(9) A modification of a financial covenant; and**
- 28 **(10) A modification of the payment amount or schedule resulting from another**
- 29 **modification described in this subsection.**
- 30 **3. The effect of a mortgage modification not described in subsection 2 of this**
- 31 **section is governed by other law.**

**443.924. Pursuant to the authority granted by the federal Electronic Signatures
2 in Global and National Commerce Act, 15 U.S.C. 7002, sections 443.920 to 443.925
3 modify, limit, or supersede such act, 15 U.S.C. Section 7001, et seq., as amended, but do
4 not modify, limit, or supersede 15 U.S.C. Section 7001(c), or authorize electronic
5 delivery of any of the notices described in 15 U.S.C. Section 7003(b).**

**443.925. Sections 443.920 to 443.925 apply to a mortgage modification made on
2 or after the effective date of such sections regardless of when the mortgage or the
3 obligation was created.**

 Section B. If any provision of section A of this act or the application thereof to
2 anyone or to any circumstance is held invalid, the remainder of those sections and the
3 application of such provisions to others or other circumstances shall not be affected thereby.

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