

**ARKANSAS SENATE**  
95th General Assembly - Regular Session, 2025  
**Amendment Form**

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**Subtitle of House Bill 1238**

TO AUTHORIZE A MORTGAGOR TO RECOVER FEES IN CERTAIN CIRCUMSTANCES  
UNDER THE STATUTORY FORECLOSURE LAW.

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**Amendment No. 1 to House Bill 1238**

Amend House Bill 1238 as originally introduced:

Delete everything after the enacting clause, and substitute the following:

"SECTION 1. Arkansas Code Title 18, Chapter 50, Subchapter 1, is amended to add an additional section to read as follows:

18-50-118. Recovery of fees.

(a) A mortgagor may recover reasonable attorney's fees under this subchapter if a court sets aside the statutory foreclosure sale due to a mortgagee's failure to strictly comply with any provision of § 18-50-101 et seq., under § 18-50-116(d)(2)(B)(ii).

(b) A mortgagor shall not be awarded attorney's fees under subsection (a) of this section if the:

(1) Mortgagor and mortgagee reach a mutual resolution of the debt and corresponding foreclosure;

(2) Mortgagor files a petition for bankruptcy while the foreclosure or any related litigation is pending;

(3) Mortgagee instituted the statutory foreclosure while in good faith relying on a policy of title insurance that was subsequently found to be in error;

(4) Mortgagee instituted the statutory foreclosure in good faith without knowledge of unrecorded debt on the subject property;

(5) Mortgagee instituted the statutory foreclosure in good faith without knowledge of assessments, taxes, or liens filed against the subject property subsequent to the final policy of title insurance being issued; or



(6) Mortgage is reinstated under § 18-50-114."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator D. Sullivan

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Secretary