



Franchise Mechanic's Lien Foreclosure

Vehicle Information				
Vehicle Identification Number	Year	Make	Body Style	Model
License Plate State and Number (if any)		Printed Name of Owner(s) Listed on Title/Registration Verification		

Mechanic/Customer Information			
Mechanic Shop/Garage's Name			Franchise Dealer's GDN License Number
Mechanic Shop/Garage's Address	City	State	Zip
Customer Requesting Repairs' First Name (or Entity Name)	Middle Name	Last Name	Suffix (if any)
Customer's Address	City	State	Zip

Foreclosure/Public Sale Information				
Repairs	Date Vehicle Left for Repairs	Date Repairs Completed	Charges for Parts and Labor \$	Storage Charges (if any)* \$
Explanation	Explanation of Mechanic Work/Repairs Performed (required only if a copy of a signed work order is not available)			
Notice	Date Owner(s)/Lienholder(s) Were Notified			
Public Sale	Date of Public Sale	Location of Public Sale		Sales Price \$
Purchaser	First Name (or Entity Name)	Middle Name	Last Name	Suffix (if any)
	Address	City	State	Zip

* Form VTR-265-S must also be completed if foreclosure includes storage charges. Additionally, a second notice is required. See page 2 for more information.

Odometer Disclosure Statement			
Federal and state law require that you state the mileage upon transfer of ownership. Providing a false statement or failure to complete this form may result in fines and/or imprisonment. I, the seller/agent, certify to the best of my knowledge the odometer reading is the actual mileage of the vehicle unless one of the statements is checked:			
<input type="checkbox"/> Odometer Reading (no tenths)		<input type="checkbox"/> Mileage Exceeds Mechanical Limits <input type="checkbox"/> Not Actual Mileage (WARNING – ODOMETER DISCREPANCY)	
I am aware of the odometer certification made by the seller/agent.			
Signature of Seller/Agent	Date of Sale	Signature of Purchaser/Agent	Date

Affidavit of Statutory Lienholder - State law makes falsifying information a third degree felony		
I, the undersigned statutory lienholder, certify the statements are true and correct, the vehicle described above was left for repair, and the owner(s) and any applicable leinholder(s) were notified as required by statute. I also certify I have complied with all applicable provisions of Texas Property Code, Chapter 70, and I am, therefore, proceeding to foreclose on the statutory mechanic's lien in accordance with state law.		
Signature of Mechanic/Authorized Agent	Printed Name (Same as Signature)	Date

NOTARY STAMP HERE	Before me, a notary public, on this day personally appeared _____, known to me to be the person whose name is subscribed on this document, and being by me first duly sworn, declared that the statements herein contained are true and correct.		
	State of Texas, County of _____	Notary Public's Signature _____	Date _____

Franchise Mechanic's Lien Foreclosure

Information

A signed work order must be submitted if available; otherwise, an explanation of the repairs performed must be completed in the "Foreclosure/Public Sale Information" section on page 1. In addition, a determination must be made as to where the vehicle was last registered. Ownership can only be obtained through a court order if a signed work order or explanation of repairs performed is unavailable or if no determination can be made as to where the vehicle was last registered.

FOR MORE INFORMATION – You may refer to the [TxDMV Motor Vehicle Title Manual](#) (Chapter 23).

Foreclosure Procedures

1. **FORECLOSURE NOTICE** – Any time after charges accrue, the mechanic/garage must notify the owner(s) and lienholder(s) of record by certified mail, return receipt requested, of the charges due and request payment. The notice must include the amount of charges and a request for payment. *Notice by newspaper publication may be permitted (see "Notification by Newspaper" below).* **Note: The notice must also be sent to the address that appears on the work order if the address is different from the address on the motor vehicle record.**
2. **STORAGE NOTICE** (if applicable) – If any amount of the charges include storage fees, a second notification is required. Refer to *Storage Lien Foreclosure* (Form VTR-265-S) for additional notification requirements when storage fees are included. Form VTR-265-S must be submitted if storage fees are included. Additionally, an original release of lien is required if the title and registration verification indicates a recorded lien.
3. **PUBLIC SALE** – If charges remain unpaid, the mechanic may sell the vehicle at public sale anytime on or after the 31st day after notice is mailed to the owner(s)/lienholder(s) or published in a newspaper. The proceeds shall be applied to the payment of charges, and the balance shall be paid to the person entitled to them.
4. **APPLICATION FOR TITLE** – The highest bidder at public sale must apply for title unless the vehicle is purchased by a licensed motor vehicle dealer with a current General Distinguishing Number (GDN).

NOTIFICATION BY NEWSPAPER – In lieu of written notification to the owner(s) and any applicable lienholder(s) by certified mail, publication of the notice(s) in a newspaper of general circulation in the county in which the vehicle is stored may be used only if all of the following apply:

1. The mechanic/garage submits a written request by certified mail, return receipt requested, to the governmental entity with which the motor vehicle is registered requesting information relating to the identity of the last known owner(s) and any lienholder(s) of record.
2. The mechanic/garage:
 - is advised in writing by the governmental entity with which the motor vehicle is registered that the entity is unwilling or unable to provide information on the last known owner or any lienholder of record or
 - does not receive a response from the governmental entity with which the motor vehicle is registered on or before the 21st day after the request under (1) is made.
3. The identity of the last known owner of record cannot be determined.
4. The registration does not contain an address for the last known owner of record.
5. The identities and addresses of the lienholders of record cannot be determined.

Note: The mechanic/garage is not required to publish notice if a correctly addressed notice is sent with sufficient postage and is returned as unclaimed, refused, the forwarding order has expired, or with a notation that the addressee is unknown or has moved without leaving a forwarding address.

Evidence Required to Transfer Ownership

1. **Application for Texas Title and/or Registration (Form 130-U)**
2. **Franchise Mechanic's Lien Foreclosure (Form VTR-265-FM)**
3. **Verification of Title and Registration** – Verification of title and registration from the state of record. If not available, the following must be provided:
 - If a mechanic/garage sends a request for title and registration verification to the state of record (by certified mail, return receipt requested) and is informed by letter that due to the Driver's Privacy Protection Act restrictions the state will forward the mechanic's notification to the owner(s) and lienholder(s) for notification purposes, then the original letter(s) from the state of record and certified receipts for each notification sent to that state, or
 - If notification is made by newspaper publication, proof that a correctly addressed request for the name and address of the last known registered owner(s) and lienholder(s) was sent to the state of record (by certified mail, return receipt requested). Proof consists of a copy of the request and date stamped certified return receipts for the notification sent to the state of record.
4. **Proof of Notifications**
 - Notices by Certified Mail – Proof consists of the date stamped receipts for certified mail and return receipt, including any unopened certified letter(s) returned as undeliverable, unclaimed, refused, or no forwarding address.
 - Notice by Newspaper Publication (only if applicable) – Proof consists of the certified request sent to the state of record requesting verification of owner(s) and lienholder(s) AND a legible photocopy of the newspaper publication, including the name and date of the publication.
5. **Liability Insurance** – A copy of current proof of liability insurance in the applicant's name if applying for registration.
6. **Copy of Signed Work Order** – If not available, complete the explanation of repairs in the "Foreclosure/Public Sale Information" section on page 1.
7. **Out of State Vehicles** – Texas Vehicle Inspection Report (and certified weight certificate if the vehicle is a commercial vehicle).