

SENATE BILL 131

N1

71r1336

By: **Senators Pugh, Conway, Jones, and McFadden**

Introduced and read first time: January 24, 2007

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Foreclosure – Posting of Notice**

3 FOR the purpose of requiring persons authorized to make a sale in an action to
4 foreclose a mortgage or deed of trust to post written notice on a certain part of
5 the property to be sold; requiring notice to be posted by a certain time before
6 sale of the property; and generally relating to notice requirements for
7 foreclosure proceedings.

8 BY repealing and reenacting, without amendments,
9 Article – Real Property
10 Section 7–105(a)
11 Annotated Code of Maryland
12 (2003 Replacement Volume and 2006 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Real Property
15 Section 7–105(a–1)
16 Annotated Code of Maryland
17 (2003 Replacement Volume and 2006 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article - Real Property**

2 7-105.

3 (a) A provision may be inserted in a mortgage or deed of trust authorizing
4 any natural person named in the instrument, including the secured party, to sell the
5 property or declaring the borrower's assent to the passing of a decree for the sale of the
6 property, on default in a condition on which the mortgage or deed of trust provides
7 that a sale may be made. A sale made pursuant to this section or to the Maryland
8 Rules, after final ratification by the court and grant of the property to the purchaser
9 on payment of the purchase money, has the same effect as if the sale and grant were
10 made under decree between the proper parties in relation to the mortgage or deed of
11 trust and in the usual course of the court, and operates to pass all the title which the
12 borrower had in the property at the time of the recording of the mortgage or deed of
13 trust.

14 (a-1) (1) In this subsection, "record owner" means the person holding record
15 title to residential real property as of the date on which an action to foreclose the
16 mortgage or deed of trust is filed.

17 (2) In addition to any notice required to be given by provisions of the
18 Annotated Code of Maryland or the Maryland Rules, the person authorized to make a
19 sale in an action to foreclose a mortgage or deed of trust shall give written notice of the
20 action to the record owner of the property to be sold.

21 (3) (i) The written notice shall be sent no later than 2 days after
22 the action to foreclose is docketed:

23 1. By certified mail, postage prepaid, return receipt
24 requested, bearing a postmark from the United States Postal Service, to the record
25 owner; and

26 2. By first-class mail.

27 (ii) The notice shall state that an action to foreclose the
28 mortgage or deed of trust may be or has been docketed and that a foreclosure sale of
29 the property will be held.

30 (iii) The notice shall contain the following statement printed in
31 at least 14 point boldface type:

32 "NOTICE REQUIRED BY MARYLAND LAW

1 Mortgage foreclosure is a complex process. Some people may approach you
2 about “saving” your home. You should be careful about any such promises.

3 The State encourages you to become informed about your options in foreclosure
4 before entering into any agreements with anyone in connection with the foreclosure of
5 your home. There are government agencies and nonprofit organizations that you may
6 contact for helpful information about the foreclosure process. For the name and
7 telephone number of an organization near you, please call the Consumer Protection
8 Division of the Office of the Attorney General of Maryland at 1-888-743-0023. The
9 State does not guarantee the advice of these organizations.

10 Do not delay dealing with the foreclosure because your options may become
11 more limited as time passes.”.

12 **(4) IN ADDITION TO THE NOTICE REQUIRED UNDER PARAGRAPH**
13 **(2) OF THIS SUBSECTION, THE PERSON AUTHORIZED TO MAKE A SALE IN AN**
14 **ACTION TO FORECLOSE A MORTGAGE OR DEED OF TRUST SHALL POST WRITTEN**
15 **NOTICE:**

16 **(I) AT LEAST 30 DAYS BEFORE THE DAY A FORECLOSURE**
17 **SALE OF THE PROPERTY IS ACTUALLY HELD; AND**

18 **(II) IN A CONSPICUOUS MANNER ON THE DOOR OR OTHER**
19 **FRONT PART OF THE PROPERTY TO BE SOLD.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2007.