

SENATE BILL 389

N1

8lr1414

By: **Senator Frosh**

Introduced and read first time: January 30, 2008

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Foreclosure – Residential Property – Trustee Commissions and**
3 **Attorney’s Fees**

4 FOR the purpose of providing that, in certain foreclosure actions, the court may only
5 approve a trustee commission and attorney’s fees that the court finds
6 reasonable after considering certain factors; prohibiting the court from
7 approving a trustee commission or attorney’s fees exceeding certain amounts;
8 and generally relating to trustee commissions and attorney’s fees in certain
9 foreclosure actions.

10 BY adding to

11 Article – Real Property

12 Section 7–105.1

13 Annotated Code of Maryland

14 (2003 Replacement Volume and 2007 Supplement)

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

17 **Article – Real Property**

18 **7–105.1.**

19 (A) **NOTWITHSTANDING THE PROVISIONS OF THE MORTGAGE OR DEED**
20 **OF TRUST, AND SUBJECT TO SUBSECTION (B) OF THIS SECTION, IN AN ACTION**
21 **TO FORECLOSE A MORTGAGE OR DEED OF TRUST ON RESIDENTIAL PROPERTY**
22 **IMPROVED BY FOUR OR FEWER SINGLE FAMILY DWELLING UNITS, THE COURT**
23 **MAY ONLY APPROVE A TRUSTEE COMMISSION AND ATTORNEY’S FEES THAT THE**
24 **COURT FINDS REASONABLE AFTER CONSIDERING THE FACTORS ENUMERATED**
25 **IN RULE 1.5 OF THE MARYLAND RULES OF PROFESSIONAL CONDUCT.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) THE COURT MAY NOT APPROVE:**

2 **(1) A TRUSTEE COMMISSION EXCEEDING \$500; OR**

3 **(2) ATTORNEY'S FEES EXCEEDING \$800.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2008.