

HOUSE BILL 996

N1

9lr2687

By: **Delegates Conaway and Boteler**

Introduced and read first time: February 13, 2009

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property – Foreclosures – Notice to Residential Tenants**

3 FOR the purpose of requiring a certain notice of intent to foreclose to be sent to certain
4 individuals; requiring the notice to be sent to the address of the residential
5 property; requiring the notice to be addressed to “Resident”; and generally
6 relating to foreclosure of residential property.

7 BY repealing and reenacting, without amendments,
8 Article – Real Property
9 Section 7–105.1(b)(1)
10 Annotated Code of Maryland
11 (2003 Replacement Volume and 2008 Supplement)

12 BY repealing and reenacting, with amendments,
13 Article – Real Property
14 Section 7–105.1(c)
15 Annotated Code of Maryland
16 (2003 Replacement Volume and 2008 Supplement)

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

19 **Article – Real Property**

20 7–105.1.

21 (b) (1) Except as provided in paragraph (2) of this subsection, an action to
22 foreclose a mortgage or deed of trust on residential property may not be filed until the
23 later of:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) 90 days after a default in a condition on which the mortgage
2 or deed of trust provides that a sale may be made; or

3 (ii) 45 days after the notice of intent to foreclose required under
4 subsection (c) of this section is sent.

5 (c) (1) Except as provided in subsection (b)(2)(iii) of this section, at least
6 45 days before the filing of an action to foreclose a mortgage or deed of trust on
7 residential property, the secured party shall send a written notice of intent to foreclose
8 to:

9 (I) **THE** mortgagor or grantor;

10 (II) [and the] **THE** record owner; **AND**

11 (III) **ANY INDIVIDUALS LIVING AT THE RESIDENTIAL**
12 **PROPERTY.**

13 (2) The notice of intent to foreclose shall be sent:

14 (i) By certified mail, postage prepaid, return receipt requested,
15 bearing a postmark from the United States Postal Service; and

16 (ii) By first-class mail.

17 (3) **IN ADDITION TO THE REQUIREMENTS OF PARAGRAPH (2) OF**
18 **THIS SUBSECTION, A NOTICE SENT UNDER PARAGRAPH (1)(III) OF THIS**
19 **SUBSECTION SHALL BE:**

20 (I) **SENT TO THE ADDRESS OF THE RESIDENTIAL**
21 **PROPERTY; AND**

22 (II) **ADDRESSED TO "RESIDENT".**

23 [(3)] (4) A copy of the notice of intent to foreclose shall be sent to the
24 Commissioner of Financial Regulation.

25 [(4)] (5) The notice of intent to foreclose shall:

26 (i) Be in the form that the Commissioner of Financial
27 Regulation prescribes by regulation; and

28 (ii) Contain:

29 1. The name and telephone number of:

- 1 A. The secured party;
- 2 B. The mortgage servicer, if applicable; and
- 3 C. An agent of the secured party who is authorized to
4 modify the terms of the mortgage loan;
- 5 2. The name and license number of the Maryland
6 mortgage lender and mortgage originator, if applicable;
- 7 3. The amount required to cure the default and reinstate
8 the loan, including all past due payments, penalties, and fees; and
- 9 4. Any other information that the Commissioner of
10 Financial Regulation requires by regulation.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2009.