

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 848

(Senator Kittleman)

Judicial Proceedings

**Real Property - Recordation of Instruments and Foreclosure Procedures on
Residential Property - Owner-Occupied Property**

This bill limits the application of specified recording requirements for a mortgage, deed of trust, or other instrument securing a mortgage loan on residential property to owner-occupied residential property. The bill also limits the application of specified foreclosure procedures for residential property to owner-occupied residential property. The bill applies prospectively to any mortgage, deed of trust, or other instrument recorded, or any foreclosure action filed on or after October 1, 2010.

Fiscal Summary

State Effect: The bill does not directly affect governmental finances.

Local Effect: The bill does not directly affect governmental finances.

Small Business Effect: Potential minimal.

Analysis

Current Law: When recorded, a mortgage, deed of trust, or any other instrument securing a mortgage loan on residential property must contain the names and Maryland license numbers of the mortgage originator and mortgage lender or affidavits that the individuals are exempt under existing licensing requirements. For purposes of these provisions, “residential property” is defined as real property improved by four or fewer single-family dwelling units that are designed principally and are intended for human habitation.

Except as otherwise specified, an action to foreclose a mortgage or deed of trust on residential property may not be filed until the later of 90 days after a default in a condition on which the mortgage or deed of trust provides that a sale may be made or 45 days after a notice of intent to foreclose is sent to the mortgagor or grantor and record owner. Specified information must also be included in and with an order to docket or complaint to foreclose on residential property. At least two good faith efforts at personal service must be made, and a foreclosure sale cannot occur until at least 45 days after service of process. For purposes of these foreclosure procedures, “residential property” is defined as real property improved by four or fewer single-family dwelling units that are designed principally and are intended for human habitation.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2010
mam/kdm

Analysis by: Jason F. Weintraub

Direct Inquiries to:
(410) 946-5510
(301) 970-5510