



Real Property Section

To: Environment and Transportation Committee (House)

From: Legislative Committee of the Real Property Section Counsel

Date: February 24, 2023 [Hearing Date February 28, 2023]

Subject: **HB 837 – Condominiums and Homeowners Associations - Residential Property Foreclosure Sales - Purchaser Requirements**

Position: **Opposed**

The Real Property Section Counsel of the Maryland State Bar Association (MSBA) opposes House Bill 837 – Condominiums and Homeowners Associations - Residential Property Foreclosure Sales - Purchaser Requirements.

The bill requires a purchaser at foreclosure sale of residential property in a condominium or homeowners association to “immediately” record an instrument in writing transferring the title. This is simply not possible. The purchaser would be the grantee on any deed from the foreclosing trustee. And after the foreclosure sale on the courthouse steps, the sale must be ratified by the court which could take several months or more.

In addition, the bill would require such purchaser to begin “immediately” making payments to the governing body. But such purchaser may not end up with the property. Current law already requires the purchaser to make all payments due or payable from the date of the sale forward once the purchaser obtains title to the property following the court’s ratification.

For these reasons, the Real Property Section Counsel of the MSBA **opposes HB 837**. Thank you for your consideration.