

SENATE, No. 2577

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED DECEMBER 1, 2014

Sponsored by:
Senator BRIAN P. STACK
District 33 (Hudson)

SYNOPSIS

Provides three-year protection against foreclosure to owners of real property damaged during “Superstorm Sandy,” which made landfall on October 29, 2012.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/8/2015)

1 AN ACT providing protection from mortgage foreclosure for owners
2 of real property damaged during “Superstorm Sandy,” which
3 made landfall on October 29, 2012.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. a. The provisions of this section shall apply only to
9 obligations secured by mortgage, trust deed, or other security in the
10 nature of a mortgage upon residential real property damaged as a
11 result of “Superstorm Sandy”, the major storm that made landfall in
12 New Jersey on October 29, 2012.

13 b. Notwithstanding the provisions of any law, rule or regulation
14 to the contrary, on and after the effective date of P.L. , c. (C.)
15 (pending before the Legislature as this bill), in a proceeding
16 commenced in any court to enforce a mortgage obligation arising
17 out of nonpayment of any sum due under the mortgage, or out of
18 any other breach of the terms of the mortgage occurring upon
19 residential real property damaged as a result of “Superstorm
20 Sandy,” the court may, after a hearing, in its discretion, on its own
21 motion, and shall, except as hereinafter provided in this act, on
22 application to it by the owner of the mortgaged property, unless in
23 the opinion of the court the ability of that person to comply with the
24 terms of the mortgage obligation is not materially affected by any
25 reason relating to “Superstorm Sandy,” as provided in P.L. , c.
26 (C.) (pending before the Legislature as this bill):

27 (1) Stay the proceedings; or
28 (2) Make such other disposition of the case as may be equitable
29 to conserve the interest of all parties.

30 c. No sale, foreclosure, or seizure of residential real property for
31 nonpayment of any sum due under any mortgage obligation on a
32 real property damaged as a result of “Superstorm Sandy”, or for any
33 other breach of the terms of any such mortgage obligation, whether
34 under a power of sale, under a judgment entered upon warrant of
35 attorney to confess judgment contained therein, or otherwise, shall
36 be valid if made during the 36-month period next following the
37 enactment of P.L. , c. (pending before the Legislature as this
38 bill) unless upon an order of sale previously granted by the court
39 and a return thereto made and approved by the court or unless the
40 court determines that the failure to comply with the terms of the
41 mortgage obligation has not materially affected by any reason
42 relating to “Superstorm Sandy.”

43 d. Any person who shall knowingly cause to be made any sale,
44 foreclosure, or seizure of residential real property defined as invalid
45 by subsection c. of this section, or attempts so to do, shall be
46 adjudged a disorderly person and shall be punished by
47 imprisonment not to exceed six months, or by fine not to exceed
48 \$1,000, or both.

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1 2. This act shall take effect immediately and shall expire at the
2 end of the 36th month next following enactment.

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STATEMENT

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7 This bill would prevent the foreclosure of any mortgage
8 obligation on any real property that was damaged by “Superstorm
9 Sandy,” the major storm that made landfall in New Jersey on
10 October 29, 2012, for a period of 36 months immediately following
11 the enactment of the bill. This 36-month period will give property
12 owners whose homes still bear damage inflicted as the result of
13 “Superstorm Sandy” some financial breathing room as they try to
14 rebuild their homes and their lives.