

ASSEMBLY, No. 4999

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 7, 2019

Sponsored by:

Assemblyman WILLIAM W. SPEARMAN

District 5 (Camden and Gloucester)

Assemblywoman SHANIQUE SPEIGHT

District 29 (Essex)

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

SYNOPSIS

Requires filing of certain creditor contact information with residential mortgage foreclosure complaint and lis pendens.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/8/2019)

1 AN ACT concerning residential mortgage foreclosures and
2 amending P.L.2008, c.217.

3

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

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7 1. Section 17 of P.L.2008, c.127 (C.46:10B-51) is amended to
8 read as follows:

9 17. a. (1) A creditor serving a summons and complaint in an
10 action to foreclose on a mortgage on residential property in this
11 State shall, within 10 days of serving the summons and complaint,
12 notify the municipal clerk of the municipality in which the property
13 is located that a summons and complaint in an action to foreclose
14 on a mortgage has been filed against the subject property. The
15 notice shall contain the name and contact information for the
16 representative of the creditor who is responsible for receiving
17 complaints of property maintenance and code violations, may
18 contain information about more than one property, and shall be
19 provided by mail or electronic communication, at the discretion of
20 the municipal clerk. In the event the creditor that has served a
21 summons and complaint in an action to foreclose on a residential
22 property is located out-of-State, the notice shall also contain the full
23 name and contact information of an in-State representative or agent
24 who shall be responsible for the care, maintenance, security, and
25 upkeep of the exterior of the property if it becomes vacant and
26 abandoned. If the municipality has appointed a public officer
27 pursuant to P.L.1942, c.112 (C.40:48-2.3 et seq.), the municipal
28 clerk shall forward a copy of the notice to the public officer or shall
29 otherwise provide it to any other local official responsible for
30 administration of any property maintenance or public nuisance
31 code.

32 In the event that the property being foreclosed on is an
33 affordable unit pursuant to the "Fair Housing Act," P.L.1985, c.222
34 (C.52:27D-301 et al.), then the creditor shall identify that the
35 property is subject to the "Fair Housing Act."

36 The notice shall also include the street address, lot and block
37 number of the property, and the full name and contact information
38 of an individual located within the State who is authorized to accept
39 service on behalf of the creditor. The notice shall be provided to
40 the municipal clerk within 10 days of service of a summons and
41 complaint in an action to foreclose on a mortgage against the
42 subject property.

43 (2) Within 30 days following the effective date of P.L.2009,
44 c.296 (C.2A:50-69 et al.), any creditor that has initiated a
45 foreclosure proceeding on any residential property which is pending

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 in Superior Court shall provide to the municipal clerk of the
2 municipality in which the property is located, a listing of all
3 residential properties in the municipality for which the creditor has
4 foreclosure actions pending by street address and lot and block
5 number. If the municipality has appointed a public officer pursuant
6 to P.L.1942, c.112 (C.40:48-2.3 et seq.), the municipal clerk shall
7 forward a copy of the notice to the public officer, or shall otherwise
8 provide it to any other local official responsible for administration
9 of any property maintenance or public nuisance code.

10 b. If the owner of a residential property vacates or abandons
11 any property on which a foreclosure proceeding has been initiated
12 or if a residential property becomes vacant at any point subsequent
13 to the creditor's filing the summons and complaint in an action to
14 foreclose on a mortgage against the subject property, but prior to
15 vesting of title in the creditor or any other third party, and the
16 exterior of the property is found to be a nuisance or in violation of
17 any applicable State or local code, the local public officer,
18 municipal clerk, or other authorized municipal official shall notify
19 the creditor or the representative or agent of an out-of-State
20 creditor, as applicable, which shall have the responsibility to abate
21 the nuisance or correct the violation in the same manner and to the
22 same extent as the title owner of the property, to such standard or
23 specification as may be required by State law or municipal
24 ordinance. The municipality shall include a description of the
25 conditions that gave rise to the violation with the notice of violation
26 and shall provide a period of not less than 30 days from the
27 creditor's receipt of the notice for the creditor to remedy the
28 violation. If the creditor fails to remedy the violation within that
29 time period, the municipality may impose penalties allowed for the
30 violation of municipal ordinances pursuant to R.S.40:49-5.

31 c. If the municipality expends public funds in order to abate a
32 nuisance or correct a violation on a residential property in situations
33 in which the creditor was given notice pursuant to the provisions of
34 subsection b. of this section but failed to abate the nuisance or
35 correct the violation as directed, the municipality shall have the
36 same recourse against the creditor as it would have against the title
37 owner of the property, including but not limited to the recourse
38 provided under section 23 of P.L.2003, c.210 (C.55:19-100).

39 d. A creditor that institutes a foreclosure proceeding on
40 residential property pursuant to the "Fair Foreclosure Act,"
41 P.L.1995, c.244 (C.2A:50-53 et seq.), shall file with the summons
42 and complaint in Superior Court, and with the lis pendens filed with
43 the office of the county clerk or register of deeds and mortgages,
44 the following information:

45 (1) the name and contact information for the representative of
46 the creditor who is responsible for receiving complaints of property
47 maintenance and code violations; and

1 (2) if the creditor is located out-of-State, the full name and
2 contact information of an in-State representative agent who shall be
3 responsible for the care, maintenance, security, and upkeep of the
4 exterior of the property if it becomes vacant and abandoned.
5 (cf: P.L.2014, c.35, s.2)

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7 2. This act shall take effect on the 90th day next following
8 enactment and shall apply to residential mortgage foreclosure
9 actions commenced on or after that date.

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STATEMENT

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14 This bill requires a creditor that institutes a foreclosure
15 proceeding on residential property pursuant to the “Fair Foreclosure
16 Act,” P.L.1995, c.244 (C.2A:50-53 et seq.), to file with the
17 summons and complaint in Superior Court, and with the lis pendens
18 filed with the office of the county clerk or register of deeds and
19 mortgages, the following information:

20 (1) the name and contact information for the representative of
21 the creditor who is responsible for receiving complaints of property
22 maintenance and code violations; and

23 (2) if the creditor is located out-of-State, the full name and
24 contact information of an in-State representative agent who shall be
25 responsible for the care, maintenance, security, and upkeep of the
26 exterior of the property if it becomes vacant and abandoned.