

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### SENATE, No. 362

# STATE OF NEW JERSEY

DATED: MARCH 26, 2018

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 362.

This bill provides that a deed restriction on affordable housing is not extinguished as a result of a foreclosure on that property.

The bill amends foreclosure laws to require notice be given to the municipal clerk and the Commissioner of Community Affairs whenever a debtor is given notice that a foreclosure is pending on residential property that is a unit of affordable housing subject to affordability controls. The foreclosing lender is also required to furnish the debtor with the address and phone number of the municipal affordable housing manager and the New Jersey Housing and Mortgage Finance Agency. The bill removes the ability of a foreclosing lender to use alternative methods of foreclosure not requiring a public sale when the housing unit involved is subject to affordability controls.

The bill requires a creditor serving a “Notice of Intention to Foreclose” on an affordable housing unit to serve a copy of the notice on the municipal affordable housing liaison, if one has been appointed.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.