

ASSEMBLY, No. 2964

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblywoman VERLINA REYNOLDS-JACKSON

District 15 (Hunterdon and Mercer)

Assemblyman ANTHONY S. VERRELLI

District 15 (Hunterdon and Mercer)

Assemblywoman NANCY J. PINKIN

District 18 (Middlesex)

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Co-Sponsored by:

Assemblyman Calabrese

SYNOPSIS

Requires all creditors that acquire title to non-owner occupied residential property following foreclosure to notify municipality and common interest community.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/17/2020)

1 AN ACT requiring all creditors that acquire title to certain
2 residential property following foreclosure to notify the
3 municipality and any common interest community, and
4 amending P.L.2011, c.222.

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

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9 1. Section 1 of P.L.2011, c.222 (C.46:10B-51.1) is amended to
10 read as follows:

11 1. The owner of any non-owner occupied residential property
12 who takes title to the property as the result of a sheriff's sale or deed
13 in lieu of foreclosure **【**, other than an owner who has previously
14 provided notice to the municipality pursuant to section 17 of
15 P.L.2008, c.127 (C.46:10B-51),**】** shall provide notice, within 10
16 business days, to the municipal clerk, or any other designated
17 municipal official, of the municipality wherein the property is
18 located, and to any association or common interest community, of
19 which the residential property is a part, governed by the "Horizontal
20 Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.), the
21 "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.), or "The
22 Planned Real Estate Development Full Disclosure Act," P.L.1977,
23 c.419 (C.45:22A-21 et seq.), providing the name and address of the
24 owner. If the owner is not located within New Jersey, then the
25 owner shall designate an agent within New Jersey, including the
26 agent's address, who is authorized to accept service of process on
27 behalf of the property owner.
28 (cf: P.L.2011, c.222, s.1)

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30 2. This act shall take effect immediately.

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STATEMENT

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35 This bill would require all creditors that acquire title to a non-
36 owner occupied residential property as the result of a foreclosure
37 sheriff's sale or a deed in lieu of foreclosure to provide notice of the
38 acquisition to the municipality in which the property is located and,
39 if applicable, the common interest community of which the property
40 is a part. Under current law, some owners that acquire these
41 properties have to provide such notice, but creditors that have
42 already provided notice to the municipality of the institution of a
43 foreclosure action with respect to the property are exempt from this
44 post-judgment or deed in lieu of foreclosure requirement. This bill
45 would eliminate that exemption to ensure that municipalities and

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 common interest communities are made aware, in a timely manner,
2 of all ownership changes following foreclosures. Requiring this
3 information to be shared with relevant parties could be of use to
4 prospective purchasers and tenants of foreclosed residential
5 properties who seek to confirm ownership of such properties and
6 help address the recent problem of individuals falsely claiming to
7 own these properties and fraudulently leasing or selling them.