

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5142

STATE OF NEW JERSEY

DATED: JANUARY 13, 2021

The Assembly Housing Committee reports favorably Assembly Bill No. 5142.

This bill protects a homeowner in foreclosure from an excessively low intervening offer.

This bill amends P.L.1954, c.186 (C.54:5-89.1) to prohibit a person who has acquired an interest in a parcel of real property for less than the fair market value of that property, after the filing of the foreclosure complaint, from being admitted as a party to the foreclosure action and also from exercising the right of redemption. Under current law, an individual is prohibited from exercising the right of redemption after acquiring an interest in land for a nominal consideration after the filing of the foreclosure complaint.