

[First Reprint]

## **ASSEMBLY, No. 793**

# **STATE OF NEW JERSEY**

## **220th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Assemblywoman BRITNEE N. TIMBERLAKE**

**District 34 (Essex and Passaic)**

**Assemblywoman CLEOPATRA G. TUCKER**

**District 28 (Essex)**

**Assemblywoman VERLINA REYNOLDS-JACKSON**

**District 15 (Hunterdon and Mercer)**

**Co-Sponsored by:**

**Assemblymen Caputo, Giblin, Assemblywomen Sumter, McKnight,**

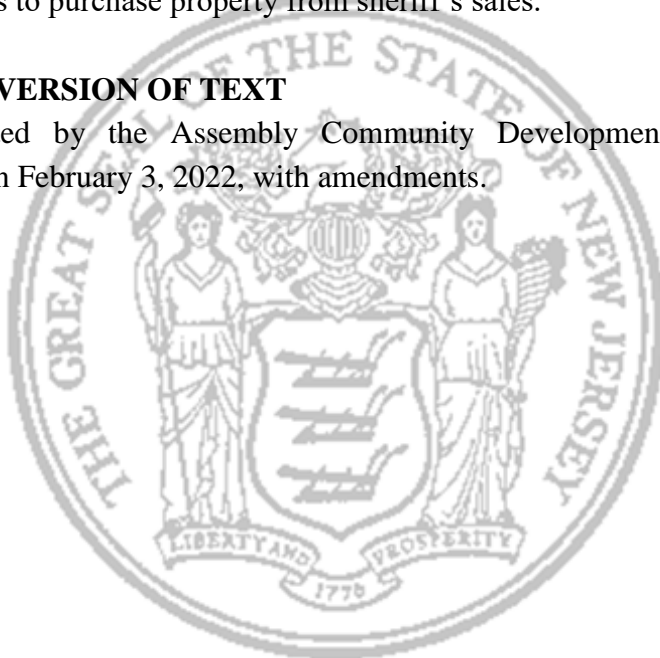
**Assemblyman Wimberly, Assemblywomen Carter and Chaparro**

**SYNOPSIS**

Creates “Community Wealth Preservation Program”; expands access for certain buyers to purchase property from sheriff’s sales.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Community Development and Affairs Committee on February 3, 2022, with amendments.



1 AN ACT concerning the procedures for sheriff's sales, designated as  
 2 the "Community Wealth Preservation Program," and amending  
 3 and supplementing P.L.1995, c.244, and amending N.J.S.22A:4-  
 4 8.

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

8  
 9 1. Section 12 of P.L.1995, c.244 (C.2A:50-64) is amended to  
 10 read as follows:

11 12. a. With respect to the sale of a mortgaged premises under  
 12 foreclosure action, each sheriff in this State shall provide for, but  
 13 not be limited to, the following uniform procedures:

14 (1) Bidding in the name of the assignee of the foreclosing  
 15 plaintiff.

16 (2) That adjournment of the sale of the foreclosed property shall  
 17 be in accordance with N.J.S.2A:17-36.

18 (3) (a) The sheriff shall **[schedule]** conduct a sale **[date]**  
 19 within **[120]** 150 days of the sheriff's receipt of any writ of  
 20 execution issued by the court in any foreclosure proceeding.

21 (b) If it becomes apparent that the sheriff cannot comply with  
 22 the provisions of subparagraph (a) of this paragraph (3), the  
 23 foreclosing plaintiff may apply to the office for an order appointing  
 24 a Special Master to hold the foreclosure sale.

25 (c) Upon the foreclosing plaintiff making such application to the  
 26 office, the office shall issue the appropriate order appointing a  
 27 Special Master to hold the foreclosure sale. The office may issue  
 28 the order to appoint a Special Master to hold foreclosure sales for  
 29 one or more properties within a vicinage.

30 (4) **[That]** Except as otherwise provided in this paragraph with  
 31 respect to the purchase of residential property for which there is a  
 32 84 month occupancy requirement, the successful bidder at the  
 33 sheriff's sale shall pay a 20 percent deposit in either cash or by a  
 34 certified or cashier's check, made payable to the sheriff of the  
 35 county in which the sale is conducted, immediately upon the  
 36 conclusion of the foreclosure sale. In the case of residential  
 37 property in which the bidder shall occupy the property as the  
 38 bidder's primary residence for a period of at least 84 months, the  
 39 successful bidder who has fulfilled the requirements set forth in  
 40 subsection g. of this section shall pay a 3.5 percent deposit <sup>1</sup>[in  
 41 either] by<sup>1</sup> cash<sup>1</sup>,<sup>1</sup> <sup>1</sup>**[or by]**<sup>1</sup> certified or cashier's check, <sup>1</sup>or by  
 42 wire transfer,<sup>1</sup> made payable to the sheriff of the county in which  
 43 the sale is conducted <sup>1</sup>or to the Special Master, if the sheriff cannot  
 44 comply with the provisions of subparagraph (a) of paragraph (3) of

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

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ACD committee amendments adopted February 3, 2022.

1 this subsection<sup>1</sup>, immediately upon the conclusion of the  
 2 foreclosure sale. If the successful bidder cannot satisfy this  
 3 requirement, the bidder shall be in default and the sheriff shall  
 4 immediately void the sale and proceed further with the resale of the  
 5 premises without the necessity of adjourning the sale, without  
 6 renotification of any party to the foreclosure and without the  
 7 republication of any sales notice. Upon such resale, the defaulting  
 8 bidder shall be liable to the foreclosing plaintiff for any additional  
 9 costs incurred by such default including, but not limited to, any  
 10 difference between the amount bid by the defaulting bidder and the  
 11 amount generated for the foreclosing plaintiff at the resale. In the  
 12 event the plaintiff is the successful bidder at the resale, the plaintiff  
 13 shall provide a credit for the fair market value of the property  
 14 foreclosed.

15 (5) It is permissible, upon consent of the sheriff conducting the  
 16 sheriff's sale, that it shall not be necessary for an attorney or  
 17 representative of the person who initiated the foreclosure to be  
 18 present physically at the sheriff's sale to make a bid. A letter  
 19 containing bidding instructions may be sent to the sheriff in lieu of  
 20 an appearance.

21 (6) That each sheriff's office shall use, and the plaintiff's  
 22 attorney shall prepare and submit to the sheriff's office, a deed  
 23 which shall be in substantially the following form:

24 THIS INDENTURE,  
 25 made this ..... (date) day of ..... (month), .....  
 26 (year). Between ..... (name), Sheriff of the County  
 27 of ..... (name) in the State of New Jersey, party of the first  
 28 part and ..... (name(s)) party of the  
 29 second part, witnesseth.

30 WHEREAS, on the ..... (date) day of .....  
 31 (month), ..... (year), a certain Writ of Execution was issued out of  
 32 the Superior Court of New Jersey, Chancery Division- .....  
 33 (name) County, Docket No. .... directed and delivered to the  
 34 Sheriff of the said County of ..... (name) and which said  
 35 Writ is in the words or to the effect following that is to say:

36 THE STATE OF NEW JERSEY to the Sheriff of the County of  
 37 ..... (name),  
 38 Greeting:

39 WHEREAS, on the ..... (date) day of ..... (month),  
 40 ..... (year), by a certain judgment made in our Superior Court  
 41 of New Jersey, in a certain cause therein pending, wherein the  
 42 PLAINTIFF is:

43 .....  
 44 .....  
 45 .....

1       and the following named parties are the DEFENDANTS:  
2 .....  
3 .....  
4 .....  
5       IT WAS ORDERED AND ADJUDGED that certain mortgaged  
6 premises, with the appurtenances in the Complaint, and Amendment  
7 to Complaint, if any, in the said cause particularly set forth and  
8 described, that is to say: The mortgaged premises are described as  
9 set forth upon the RIDER ANNEXED HERETO AND MADE A  
10 PART HEREOF.  
11 BEING KNOWN AS Tax Lot ..... (number) in Block .....  
12 (number) COMMONLY KNOWN AS (street address)  
13 .....  
14 TOGETHER, with all and singular the rights, liberties, privileges,  
15 hereditaments and appurtenances thereunto belonging or in anywise  
16 appertaining, and the reversion and remainders, rents, issues and  
17 profits thereof, and also all the estate, right, title, interest, use,  
18 property, claim and demand of the said defendants of, in, to and out  
19 of the same, to be sold, to pay and satisfy in the first place unto the  
20 plaintiff,  
21 .....  
22 .....  
23 the sum of \$ ..... (amount) being the principal, interest and  
24 advances secured by a certain mortgage dated ..... (date,  
25 month, year) and given by ..... (name) together with  
26 lawful interest from  
27 .....  
28 .....  
29 .....  
30 until the same be paid and satisfied and also the costs of the  
31 aforesaid plaintiff with interest thereon.  
32 AND for that purpose a Writ of Execution should issue, directed to  
33 the Sheriff of the County of ..... (name) commanding him to  
34 make sale as aforesaid; and that the surplus money arising from  
35 such sale, if any there be, should be brought into our said Court, as  
36 by the judgment remaining as of record in our said Superior Court  
37 of New Jersey, at Trenton, doth and more fully appear; and  
38 whereas, the costs and Attorney's fees of the said plaintiff have  
39 been duly taxed at the following sum: \$ ..... (amount)  
40 THEREFORE, you are hereby commanded that you cause to be  
41 made of the premises aforesaid, by selling so much of the same as  
42 may be needful and necessary for the purpose, the said sum of  
43 \$...... (amount) and the same you do pay to the said plaintiff  
44 together with contract and lawful interest thereon as aforesaid, and  
45 the sum aforesaid of costs with interest thereon.  
46 And that you have the surplus money, if any there be, before our  
47 said Superior Court of New Jersey, aforesaid at Trenton, within 30  
48 days after pursuant to R.4:59-1(a), to abide the further Order of the

1 said Court, according to judgment aforesaid, and you are to make  
2 return at the time and place aforesaid, by certificate under your  
3 hand, of the manner in which you have executed this our Writ,  
4 together with this Writ, and if no sale, this Writ shall be returnable  
5 within **[12]** 24 months.

6 WITNESS, the Honorable ..... (name), Judge of the Superior  
7 Court at Trenton, aforesaid, the ..... (date) day of .....  
8 (month), ..... (year).

9 /s/ ..... (Clerk)

10 Superior Court of New Jersey

11 /s/.....

12 Attorney for Plaintiff

13 As by the record of said Writ of Execution in the Office of the  
14 Superior Court of New Jersey, at Trenton, in Book .....  
15 (number) of Executions, Page ..... (number) etc., may more fully  
16 appear.

17 AND WHEREAS I, the said ..... (name), as such  
18 Sheriff as aforesaid did in due form of law, before making such sale  
19 give notice of the time and place of such sale by public  
20 advertisement signed by myself, and set up in my office in the  
21 ..... (name) Building in ..... (name) County,  
22 being the County in which said real estate is situate and also set up  
23 at the premises to be sold at least three weeks next before the time  
24 appointed for such sale.

25 I also caused such notice to be published four times in two  
26 newspapers designated by me and printed and published in the said  
27 County, the County wherein the real estate sold is situate, the same  
28 being designated for the publication by the Laws of this State, and  
29 circulating in the neighborhood of said real estate, at least once a  
30 week during four consecutive calendar weeks. One of such  
31 newspapers, ..... (name of newspaper) is a newspaper  
32 with circulation in ..... (name of town), the County seat of  
33 said ..... (name) County. The first publication was at least  
34 twenty-one days prior and the last publication not more than eight  
35 days prior to the time appointed for the sale of such real estate, and  
36 by virtue of the said Writ of Execution, I did offer for sale said land  
37 and premises at public vendue at the County ..... (name)  
38 Building in ..... (name of town) on the ..... (date)  
39 day of ....., .... (month) (year) at the hour of .....  
40 (time) in the ..... (a.m. or p.m.).

41 WHEREUPON the said party of the second part bidding  
42 therefore for the same, the sum of \$..... (amount) and no  
43 other person bidding as much I did then and there openly and  
44 publicly in due form of law between the hours of ..... (time)  
45 and ..... (time) in the ..... (a.m. or p.m.), strike off and sell  
46 tracts or parcels of land and premises for the sum of \$ .....  
47 (amount) to the said party of the second part being then and there  
48 the highest bidder for same. And on the ..... (date) of

..... (month) in the year last aforesaid I did truly report the  
said sale to the Superior Court of New Jersey, Chancery Division  
and no objection to the said sale having been made, and by  
Assignment of Bid filed with the Sheriff of ..... (name)  
County said bidder assigned its bid to:

.....  
.....  
.....

NOW, THEREFORE, This Indenture witnesseth, that I, the said  
..... (name), as such Sheriff as aforesaid under and by the  
virtue of the said Writ of Execution and in execution of the power  
and trust in me reposed and also for and in consideration of the said  
sum of \$ ..... (amount) therefrom acquit, exonerate and  
forever discharge to the said party of the second part, its successors  
and assigns, all and singular the said tract or parcel of lands and  
premises, with the appurtenances, privileges, and hereditaments  
thereunto belonging or in any way appertaining; to have and hold  
the same, unto the said party of the second part, its successors and  
assigns to its and their only proper use, benefit, and behoof forever,  
in as full, ample and beneficial manner as by virtue of said Writ of  
Execution I may, can or ought to convey the same.

And, I, the said ..... (name), do hereby covenant, promise and  
agree, to and with the said party of the second part, its successors  
and assigns, that I have not, as such Sheriff as aforesaid, done or  
caused, suffered or procured to be done any act, matter or thing  
whereby the said premises, or any part thereof, with the  
appurtenances, are or may be charged or encumbered in estate, title  
or otherwise.

IN WITNESS WHEREOF, I the said ..... (name) as such  
Sheriff as aforesaid, have hereunto set my hand and seal the day and  
year aforesaid.

Signed, sealed and delivered

in the presence of

.....

Attorney at Law of New Jersey .....(name) Sheriff

STATE OF NEW JERSEY) SS.

.....(county )

I, ..... (name), Sheriff, of the County of ..... (name),  
do solemnly swear that the real estate described in this deed made  
to

.....  
.....  
.....

was by me sold by virtue of a good and subsisting execution (or as  
the case may be) as is therein recited, that the money ordered to be  
made has not been to my knowledge or belief paid or satisfied, that  
the time and place of the same of said real estate were by me duly  
advertised as required by law, and that the same was cried off and

1 sold to a bona fide purchaser for the best price that could be  
2 obtained and the true consideration for this conveyance as set forth  
3 in the deed is \$ ..... (amount).

4 .....

5 ..... (name), Sheriff

6 Sworn before me, ..... (name), on this ..... (date) day of  
7 ..... (month), ..... (year), and I having examined the deed  
8 above mentioned do approve the same and order it to be recorded as  
9 a good and sufficient conveyance of the real estate therein  
10 described.

11 STATE OF NEW JERSEY) ss. ....

12 ..... (Name) County) Attorney or Notary Public

13 On this ..... (date) day of ..... (month), ..... (year),  
14 before me, the subscriber, ..... (name) personally  
15 appeared ..... (name), Sheriff of the County of .....  
16 (name) aforesaid, who is, I am satisfied, the grantor in the within  
17 Indenture named, and I having first made known to him the contents  
18 thereof, he did thereupon acknowledge that he signed, sealed and  
19 delivered the same on his voluntary act and deed, for the uses and  
20 purposes therein expressed.

21 .....

22 Attorney or Notary Public

23 b. At the conclusion of the sheriff's sale, the attorney for the  
24 plaintiff **may** shall prepare and deliver to the sheriff a deed which  
25 shall be in the form provided pursuant to paragraph **[(5)] (6)** of  
26 subsection a. of this section for the sheriff's execution and the deed  
27 shall be delivered to the sheriff within 10 days of the date of the  
28 sale. The sheriff shall be entitled to the authorized fee, as a review  
29 fee, even if the plaintiff's attorney prepares the deed.

30 c. (1) The sheriff's office shall, within two weeks of the date  
31 of the sale, deliver a fully executed deed to the successful bidder at  
32 the sale provided that the bidder pays the balance of the monies due  
33 to the Sheriff by either cash or certified or cashier's check. In the  
34 event a bid is satisfied after the expiration and additional interest is  
35 collected from the successful bidder, the sheriff shall remit to the  
36 plaintiff the total amount, less any fees, costs and commissions due  
37 the sheriff, along with the additional interest.

38 (2) In the case of residential property in which the bidder shall  
39 occupy the property as the bidder's primary residence for a period  
40 of at least 84 months, no interest shall accrue on the balance of the  
41 sale of the property until 60 business days have passed following  
42 the date of the sale, and thereafter, the successful bidder shall have  
43 30 business days to fulfill the balance. If the successful bidder fails  
44 to fulfill the balance within this 90 business day period, the bidder  
45 shall forfeit the deposit on the property and shall be responsible for  
46 the payment of accrued interest and any fees or penalties incurred as  
47 a result of the sale being void, unless the failure to fulfill the  
48 balance is due to the bidder's inability to close a mortgage through

1 no fault of their own, such as because the appraised value of the  
2 property is less than the purchase value of the property, in which  
3 case the bidder shall be refunded the deposit on the property and  
4 shall be responsible only for the payment of accrued interest and  
5 any fees or penalties incurred as a result of the sale being void.

6 d. Prior to completion of a sale of residential property, the  
7 foreclosing plaintiff shall disclose whether the property is vacant,  
8 tenant-occupied, or owner-occupied. If the property is vacant, the  
9 financial institution shall provide the successful bidder access to the  
10 property.

11 e. A bidder, including, but not limited to, next of kin of the  
12 foreclosed upon defendant, may purchase residential property at a  
13 sheriff's sale by way of financing if the bidder provides  
14 documentation that the bidder has been pre-approved by a financial  
15 institution regulated by the Department of Banking and Insurance or  
16 by a federal banking agency, as defined by section 3 of the "New  
17 Jersey Residential Mortgage Lending Act," P.L.2009, c.53  
18 (C.17:11C-53), for financing the property.

19 (1) A bidder who intends to finance the purchase of residential  
20 property at a sale shall be:

21 (a) limited to submitting bids no higher than the amount for  
22 which the bidder has been pre-approved for financing; and

23 (b) required to present current and valid photo identification that  
24 substantially conforms to the name and information contained on  
25 the financing pre-approval forms obtained by the bidder.

26 (2) With exception to the foreclosed upon defendant or the  
27 foreclosed upon defendant's next of kin, a bidder purchasing  
28 residential property in a sheriff's sale pursuant to this subsection  
29 shall be required by the financial institution to occupy the property  
30 as the bidder's primary residence for a fixed term, of at least 84  
31 months after taking possession. The deed for the property shall  
32 clearly state that the property may not be sold for 84 months from  
33 the date of the sheriff's sale.

34 (3) A successful bidder who finances the purchase and does not  
35 occupy the residence for a period of at least 84 months shall be  
36 assessed a fine by a court of competent jurisdiction up to \$100,000  
37 for the first violation, and \$500,000 thereafter for each subsequent  
38 violation. These penalties shall not be assessed against a bidder  
39 who finances the purchase in good faith and is thereafter required to  
40 vacate the property prior to residing in the property for 84 months  
41 due to death of the bidder or the bidder's spouse, disability of the  
42 bidder or the bidder's spouse, divorce, military deployment, or  
43 foreclosure. In the event of the death of a successful bidder, the  
44 property may be transferred to another owner in accordance with  
45 applicable laws governing estate, inheritance, and probate matters.

46 f. In the case of a residential property that is financed pursuant  
47 to subsection e. of this section, the sheriff's office shall oversee the  
48 occupancy of the property, which may include the mailing of a



1 questionnaire to the successful bidder within 84 months following  
2 the sale, requiring the bidder to respond to questions and submit  
3 documentation evidencing the bidder's continued residence at the  
4 property. If the agency determines based upon its oversight that  
5 there has been an occupancy violation, the agency shall bring an  
6 action in a court of competent jurisdiction so that the sheriff's office  
7 can pursue enforcement of penalties for the violation.

8 g. In the case of residential property, to be a successful bidder  
9 who is not the plaintiff, and who intends to occupy the property,  
10 and finance the purchase of the property, the bidder shall have  
11 received eight hours of homebuyer education and counseling  
12 through a program provided by the United States Department of  
13 Housing and Urban Development (HUD), and shall present  
14 certification of completion of that program within 90 business days  
15 of the date that the sheriff's sale shall occur.

16 h. Each sheriff's office shall maintain information, written in  
17 plain language, regarding the program to finance the purchase of  
18 residential property in a foreclosure sale in accordance with this  
19 section on its Internet website in a manner that is accessible to the  
20 public. Additionally, each sheriff's office shall display information,  
21 written in plain language, regarding the program in its office in a  
22 manner that is conspicuous to the public. <sup>1</sup>The information posted  
23 on a sheriff's Internet website or displayed in a sheriff's office  
24 concerning the program shall further contain language notifying the  
25 public that the program shall exclude those purchasing property for  
26 investment purposes.<sup>1</sup> For any county in which the primary  
27 language of 10 percent or more of the residents is a language other  
28 than English, the sheriff's office shall provide the information  
29 required by this subsection in that other language or languages in  
30 addition to English. The alternate language shall be determined  
31 based on information from the latest federal decennial census.

32 i. <sup>1</sup>If the foreclosed upon defendant or the next of kin of the  
33 foreclosed upon defendant fails to secure financing or assets  
34 sufficient to meet the terms offered by the foreclosing plaintiff or an  
35 alternative financial institution to purchase the residential property,  
36 the foreclosed upon defendant or next of kin of the foreclosed upon  
37 defendant may request that a nonprofit community development  
38 corporation purchase the property. If the nonprofit community  
39 development corporation agrees to purchase the property from the  
40 foreclosed upon defendant or next of kin of the foreclosed upon  
41 defendant, the corporation shall:

42 (1) allow the foreclosed upon defendant or next of kin of the  
43 foreclosed upon defendant to reside at the property for a period of  
44 time as agreed upon in paragraph (2) of this subsection; and

45 (2) negotiate with the foreclosed upon defendant or next of kin  
46 of the foreclosed upon defendant on an affordable lease schedule  
47 that shall include an option to purchase the property from the  
48 corporation.

1     j. A nonprofit community development corporation intending  
2 to bid in a sheriff's sale for residential property shall, prior to the  
3 sale, register its participation with the sheriff or Special Master if  
4 the sheriff cannot comply with the provisions of paragraph (3) of  
5 subsection a. of this section. In registering its participation in the  
6 sale, a corporation shall provide the following information:

7     (a) the most recent form 1023 filing provided to the United  
8 States Internal Revenue Service, stating the corporation's mission  
9 of community revitalization and the creation or preservation of  
10 affordable housing through the restoration of vacant and abandoned  
11 property; and

12     (b) a nonprofit determination letter from the United States  
13 Internal Revenue Service that was made at least 36 months prior to  
14 the enactment of P.L. , c. (C. ) (pending before the  
15 Legislature as this bill).

16     k. (1) A nonprofit community development corporation,  
17 founded at least 36 months prior to the enactment of  
18 P.L. , c. (C. ) (pending before the Legislature as this bill),  
19 that successfully bids on the purchase of a residential property in a  
20 sheriff's sale shall:

21     (a) restore as need be and sell the property to a household  
22 earning no more than 120 percent below area median income or rent  
23 the property as an affordable housing unit to a household who earns  
24 no more than 100 percent below area median income, if the  
25 property is vacant or abandoned at the time of the sheriff's sale; or

26     (b) if the property is occupied at the time of sale by the  
27 foreclosed upon defendant or a tenant, the nonprofit community  
28 development corporation shall negotiate with the foreclosed upon  
29 defendant or tenant on an affordable lease schedule that will allow  
30 the foreclosed upon defendant or tenant to continue to occupy the  
31 property should the foreclosed upon defendant or tenant desire to do  
32 so. If after 120 business days the foreclosed upon defendant or  
33 tenant does not respond to the requests of the nonprofit community  
34 development corporation to negotiate, the corporation may bring an  
35 action in a court of competent jurisdiction to remove the foreclosed  
36 upon defendant or tenant. If removal has successfully occurred, the  
37 nonprofit community development corporation shall comply with  
38 the requirements of subparagraph (a) of paragraph (1) of this  
39 subsection.

40     (2) A nonprofit community development corporation that  
41 successfully bids on the purchase of a residential property shall  
42 ensure that, in any future sale of the property pursuant to  
43 subparagraph (a) of paragraph (1) of this subsection, the property be  
44 subject to a 30-year deed restriction requiring any future property  
45 owner to sell the property to a household earning no more than 120  
46 percent below area median income or rent the property as an  
47 affordable housing unit to a household who earns no more than 100  
48 percent below area median income.

1     l. Sales for real estate owned residential property, which shall  
2 include but not be limited to virtual auctions, shall be subject to the  
3 provisions of P.L. , c. (C. ) (pending before the Legislature  
4 as this bill).

5     m.<sup>1</sup> Any penalty imposed pursuant to this section may be  
6 recovered with costs in a summary proceeding commenced by the  
7 appropriate sheriff's office pursuant to the "Penalty Enforcement  
8 Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). Fifty percent  
9 of any monies collected pursuant to this section shall be forwarded  
10 to the municipality in which the foreclosed upon property is located  
11 to be deposited in the affordable housing trust fund of the  
12 municipality for use on low income housing or moderate income  
13 housing needs as defined in section 4. of P.L.1985, c.222  
14 (C.52:27D-304), to the extent the municipality maintains such a  
15 fund, and if the municipality does not maintain such a fund, to the  
16 State Treasurer, and shall annually be appropriated to the "New  
17 Jersey Affordable Housing Trust Fund," section 20 of P.L.1985,  
18 c.222 (C.52:27D-320) for the purpose of developing and supporting  
19 housing programs that create for-sale and rental affordable housing  
20 for the workforce. The remaining 50 percent of any monies  
21 collected pursuant to this section shall provide for administrative  
22 and enforcement costs, including costs incurred by the sheriff's  
23 office, necessary to effectuate the purposes of this section.

24     <sup>1</sup>[j.] n. (1)<sup>1</sup> If the foreclosed upon defendant or the next of kin  
25 of the foreclosed upon defendant has secured financing or assets  
26 sufficient to meet terms offered by the foreclosing plaintiff or an  
27 alternative financial institution to purchase the property, the  
28 foreclosed upon defendant or the next of kin of the foreclosed upon  
29 defendant shall have the right of first refusal to purchase the  
30 property in the amount approved for the opening bid of the sheriff's  
31 sale at the time of the sale. <sup>1</sup>Upon conclusion of the sale, the  
32 foreclosed upon defendant or the next of kin of the foreclosed upon  
33 defendant shall pay a 3.5 percent deposit in either cash, money  
34 order, certified or cashier's check, or wire transfer, made payable to  
35 the sheriff of the county in which the sale is conducted or to the  
36 Special Master, if the sheriff cannot comply with the provisions of  
37 paragraph (3) of subsection a. of this section.

38     (2) A nonprofit community development corporation shall have  
39 a right of second refusal to purchase the property which is  
40 subordinate to the first right of refusal provided to foreclosed upon  
41 defendant and next of kin of the foreclosed upon defendant pursuant  
42 to paragraph (1) of subsection l. of this section. If the foreclosed  
43 upon defendant or next of kin of the foreclosed upon defendant  
44 decides not to participate in the sheriff's sale or fails to secure  
45 financing or assets sufficient to meet the terms offered by the  
46 foreclosing plaintiff or an alternative financial institution to  
47 purchase the property, the corporation shall have the right of second  
48 refusal to purchase the property in the amount approved for the

opening bid of the sheriff's sale at the time of the sale. Upon conclusion of the sale, the corporation shall pay a 3.5 percent deposit in either cash, money order, certified or cashier's check, or wire transfer, made payable to the sheriff of the county in which the sale is conducted or to the Special Master, if the sheriff cannot comply with the provisions of paragraph (3) of subsection a. of this section.<sup>1</sup>

<sup>1</sup>**[k]** o<sup>1</sup>. As used in this section:

<sup>1</sup>"Area median income" means the midpoint of a region's household income distribution, as determined by the United States Department of Housing and Urban Development.

"Nonprofit community development corporation" means a not-for-profit organization, incorporated at least 36 months prior to the enactment of this bill, whose mission centers around community revitalization through the restoration of vacant and abandoned property to create or preserve affordable housing, as indicated in the corporation's most recent form 1023 filing provided to the United States Internal Revenue Service.

"Real estate owned residential property" means residential property owned by a financial institution, as defined in subsection e. of this section, or a government agency.<sup>1</sup>

"Residential property" means real property located in this State in which people reside or dwell as their primary residence<sup>1, 1</sup> as distinguished from property which is used for investment, commercial, or business purposes.

(cf: P.L.2019, c.71, s.1)

2. N.J.S.22A:4-8 is amended to read as follows:

22A:4-8. For the services hereinafter enumerated sheriffs and other officers shall receive the following fees:

In addition to the mileage allowed by law, for serving every summons and complaint, attachment or any mesne process issuing out of the Superior Court, the sheriff or other officer serving such process shall, for the first defendant or party on whom such process is served, be allowed \$22.00 and, for service on the second defendant named therein, \$20.00, and for serving such process on any other defendant or defendants named therein, \$16.00 each, and no more. If a man and his wife be named in such process they shall be considered as one defendant, except where they are living separate and apart.

Serving summons and complaint in matrimonial actions, in addition to mileage, \$22.00.

Serving capias ad respondendum, capias ad satisfaciendum, warrant of commitment, writ of ne exeat, in addition to mileage, \$48.00.

Serving order to summon juries and return, \$8.00.

Serving every execution against goods or lands and making an inventory and return, in addition to mileage, \$48.00.

1 For returning every writ, \$2.00.

2 Executing every writ of possession and return, in addition to  
3 mileage, \$48.00.

4 Executing every writ of attachment, sequestration or replevin  
5 issuing out of any of the courts, in addition to mileage, \$48.00.

6 For serving each out-of-State paper, in addition to the mileage  
7 allowed by law, \$25.00 for the first defendant on whom such paper is  
8 served, \$20.00 for service on the second defendant named therein, and  
9 \$16.00 for serving such paper on any other defendant or defendants  
10 named therein. If a man and wife be named in such paper, they shall be  
11 considered as one defendant, except where they are living separate and  
12 apart.

13 For serving or executing any process or papers where mileage is  
14 allowed by law, the officer shall receive mileage actually traveled to  
15 and from the courthouse, at the rate per mile of \$0.16.

16 The sheriff shall be entitled to retain out of all moneys collected or  
17 received by him on a forfeited recognizance, whether before or after  
18 execution, or from amercements, or from fines and costs on  
19 conviction, on indictment or otherwise, whether such moneys are  
20 payable to the State or to the county treasurer of the county wherein  
21 conviction was had, **[5%]** five percent.

22 For transporting each offender to the State Prison, per mile, but not  
23 less than \$3.00 for each offender, to be certified by the keeper of the  
24 prison and the certificate to be delivered to the county treasurer of the  
25 county where the conviction was had, \$0.23.

26

#### 27 EXECUTION SALES

28

29 **[When]** Except as to sales conducted in accordance with section  
30 12 of P.L.1995, c.244 (C.2A:50-64), when a sale is made by virtue of  
31 an execution the sheriff shall be entitled to charge the following fees:  
32 On all sums not exceeding \$5,000.00, **[6%]** 10 percent; on all sums  
33 exceeding \$5,000.00 on such excess, **[4%]** five percent; the minimum  
34 fee to be charged for a sale by virtue of an execution, **[\$50.00]**  
35 \$750.00. When sales are conducted in accordance with section 12 of  
36 P.L.1995, c.244 (C.2A:50-64), the sheriff shall be entitled to charge  
37 the following fees: On all sums not exceeding \$5,000.00, six percent;  
38 on all sums exceeding \$5,000.00 on such excess, four percent; the  
39 minimum fee to be charged for a sale by virtue of an execution,  
40 \$50.00.

41 On an execution against wages, commissions and salaries, the  
42 sheriff shall charge the same percentage fees on all sums collected as  
43 those percentage fees applicable in cases wherein an execution sale is  
44 consummated.

45 When the execution is settled without actual sale and such  
46 settlement is made manifest to the officer, the officer shall receive

1   **【1/2】** one-half of the amount of percentage allowed herein in case of  
2   sale.

3       Making statement of execution, sales and execution fees, \$10.00.

4       Advertising the property for sale, provided the sheriff or deputy  
5   sheriff attend in pursuance of the advertisement, \$20.00.

6       Posting property for sale, \$20.00.

7       For the crier of the vendue, when the sheriff proceeds to sell, for  
8   every day he shall be actually employed in such sale, \$5.00.

9       Every adjournment of a sale, but no more than one adjournment  
10   shall be allowed, and if the sheriff shall have several executions  
11   against a defendant, he shall only be allowed for advertising, attending  
12   and adjourning, as if he had but one execution, \$28.00.

13       Drawing and making a deed to a purchaser of real property,  
14   \$75.00.

15       Drawing and making a bill of sale to the purchaser of personal  
16   property when such bill of sale is required or demanded, \$20.00.

17       When more than one execution shall be issued out of the Superior  
18   Court upon any judgment, each sheriff to whom such execution shall  
19   be directed and delivered shall be entitled to collect and receive from  
20   the defendant named in such execution the fees allowed by law for  
21   making a levy and return and statement thereon, or for such other  
22   services as may be actually performed by him, and the sheriff who  
23   shall collect the amount named in said execution or any part thereof,  
24   shall be entitled to the legal percentage upon whatever amount may be  
25   so collected by him, but in case any such judgment shall be settled  
26   between the parties and the amount due thereon shall not be collected  
27   by either sheriff, then the percentage on the amount collected which  
28   would be due the sheriff thereon in case only one execution had been  
29   issued shall be equally divided among the several sheriffs in whose  
30   hands an execution in the same cause may have been placed.

31       The sheriff shall file his taxed bill of costs with the clerk of the  
32   court out of which execution issued, within such time as the court shall  
33   direct by general rule or special order, or, in default thereof, he shall  
34   not be entitled to any costs. If any sheriff shall charge in such bill of  
35   costs for services not done, or allowed by law, or shall take any greater  
36   fee or reward for any services by him done than is or shall be allowed  
37   by law, he shall be liable for the damages sustained by the party  
38   aggrieved including a penalty of \$30.00, to be recovered in a summary  
39   manner, in the action or proceeding wherein the execution was issued  
40   or otherwise.

41   (cf: P.L.2001, c.370, s.5)

42

43       3. (New section) a. In situations in which a creditor has  
44   instituted a foreclosure proceeding pursuant to the "Fair Foreclosure  
45   Act," P.L.1995, c.244 (C.2A:50-53 et seq.) and a creditor employs an  
46   agent to be responsible for the care, maintenance, security, and upkeep  
47   of the property if it becomes vacant and abandoned, the creditor and  
48   agent who peacefully enters the property and exercises reasonable care

- 1 in doing so, shall be immune from liability, before and after the bid,
- 2 for any damage to the property or any person entering the property.
- 3 b. Persons bidding on the property shall not enter the property
- 4 prior to the time of sale of the property to the successful bidder.
- 5
- 6 4. This act shall take effect immediately.