2013 -- H 5719

STATE OF RHODE ISLAND
IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 2013

A N A C T
RELATING TO PROPERTY -- MORTGAGE FORECLOSURE AND SALE

Introduced By: Representatives Palangio, Cimini, Williams, DeSimone, and Winfield

Date Introduced: February 28, 2013

Referred To: House Corporations

It is enacted by the General Assembly as follows:

SECTION 1. Chapter 34-27 of the General Laws entitled "Mortgage Foreclosure and Sale" is hereby amended by adding thereto the following section:

34-27-7. Mortgagee-owned property. -- (a) Notwithstanding any other general law or local ordinance to the contrary, any mortgagee, or affiliate thereof, who is the successful bidder at any sale by public auction made under and according to the provisions of any mortgage of real estate or any power of sale contained therein or annexed thereto shall, within ninety (90) days after the date of sale, make appropriate arrangements to keep the foreclosed property from becoming vacant, including, without limitation, selling or leasing the property.

(b) Upon violation of this section, a penalty shall accrue at the rate of one thousand dollars ($1,000) per month (in the aggregate) for each month or part thereof during which the property remains vacant. For purposes of determining the penalty due hereunder, a month commences on the day on which the first such violation occurs and a new month commences on the same day (or if there is no such day, then on the last day) of each succeeding calendar month until the property is no longer vacant.

SECTION 2. This act shall take effect upon passage.
EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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1 This act would require a mortgagee to make arrangement to keep a foreclosed property
2 from becoming vacant. This act would also provide for monetary penalties.
3 This act would take effect upon passage.

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