

2013 -- H 5719

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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:

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

3 **34-27-7. Mortgagee-owned property. -- (a) Notwithstanding any other general law or**
4 **local ordinance to the contrary, any mortgagee, or affiliate thereof, who is the successful bidder at**
5 **any sale by public auction made under and according to the provisions of any mortgage of real**
6 **estate or any power of sale contained therein or annexed thereto shall, within ninety (90) days**
7 **after the date of sale, make appropriate arrangements to keep the foreclosed property from**
8 **becoming vacant, including, without limitation, selling or leasing the property.**

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

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO PROPERTY -- MORTGAGE FORECLOSURE AND SALE

- 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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