

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Protect Homeowners in Foreclosure Proceedings**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 14 MRSA §6322**, as amended by PL 1991, c. 744, §3, is further amended to read:

### **§ 6322. Hearing and judgment**

Before hearing, the court shall refer the parties to alternative dispute resolution through the Court Alternative Dispute Resolution Service established in Title 4, section 18-B. The Supreme Judicial Court may adopt or amend rules of procedure for proceedings under this section. After hearing, the court shall determine whether there has been a breach of condition in the plaintiff's mortgage, the amount due thereon, including reasonable attorney's fees and court costs, the order of priority and those amounts, if any, that may be due to other parties that may appear and whether any public utility easements held by a party in interest survive the proceedings. For purposes of this section, "public utility easements" has the same meaning as set forth in section 6321.

If the court determines that such a breach exists, a judgment of foreclosure and sale ~~shall issue~~must be issued providing that if the mortgagor, ~~his or the mortgagor's~~ successors, heirs and assigns do not pay the sum that the court adjudges to be due and payable, with interest within the period of redemption, the mortgagee shall proceed with a sale as provided. If the mortgagor, ~~his or the mortgagor's~~ successors, heirs and assigns pay to the mortgagee the sum that the court adjudges to be due and payable to the mortgagee with interest within the period of redemption, then the mortgagee shall forthwith discharge the mortgage and file a dismissal of the action for ~~forelosure~~foreclosure with the clerk of the court.

On mortgages executed prior to October 1, 1975, unless the mortgage contains language to the contrary, the period of redemption ~~shall be~~ one year from the date of the judgment. On mortgages executed on or after October 1, 1975, the period of redemption ~~shall be~~ 90 days from the date of the judgment. For mortgage foreclosure proceedings initiated on or after October 1, 2009 on any mortgage, the period of redemption is one year from the date of the judgment. In ~~either any~~ case, the redemption period ~~shall begin~~begins to run upon entry of the judgment of foreclosure, ~~provided that as long as no~~ appeal is taken.

### **SUMMARY**

This bill extends the period of redemption in residential foreclosure proceedings initiated on or after October 1, 2009 on any mortgage to one year. The bill also requires the use of alternative dispute resolution in foreclosures.