

HOUSE No. 1510

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

An Act to establish a temporary moratorium on foreclosures in the Commonwealth..

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding the provisions of any general or special law to the
2 contrary, no foreclosures shall be conducted for a period of one hundred and eighty (180) days
3 after the effective date of this section, on any residential real estate located in the Commonwealth
4 having a dwelling house with accommodations for four or less separate households and occupied
5 in whole or in part by an obligor on the mortgage debt, on any mortgage from which is
6 presumptively unfair by virtue of having one of the following:

7 (a) adjustable rate loans with an introductory period of three years or less; and a debt-to
8 income ratio in excess of 50 percent under the fully indexed rate; and a loan-to-value ratio of 97
9 percent or greater, or substantial pre-payment penalties or pre-payment penalties that extend
10 beyond the introductory period;

11 (b) interest only loans;

12 (c) loans with high points, fees or interest in violation of the Predatory Home Loan
13 Practices Act, G.L. c. 183C §2.

14 No register of deeds or assistant recorder of the land court shall accept for recording or
15 filing for registration any foreclosure deed pursuant to a foreclosure conducted in violation of
16 this act during said 180-day period.

17 During the 180-day moratorium period, mortgage holders shall provide an authorized
18 representative to enter into good faith negotiations with borrowers who so request, to modify the
19 terms of their mortgages, including, reducing the principal, lowering the interest rate, eliminating
20 pre-payment penalties, and other fees and costs so that qualified homeowners can obtain
21 affordable mortgages that will allow them to stay in their homes. No fees or penalties shall
22 accrue during the moratorium period.