

**SENATE . . . . . No. 1751**

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**The Commonwealth of Massachusetts**

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**In the Year Two Thousand Nine**  
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An Act to Establish a 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. WHEREAS the deferred operation of this act would tend to defeat its  
2 purpose which is to protect citizens of the Commonwealth, therefore it is hereby declared to be  
3 an emergency law necessary for the immediate protection of the public.

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

10           (a) an adjustable rate loan with an introductory period of three years or less; and a debt-to  
11 income ratio in excess of 50 percent under the fully indexed rate; and the loan-to-value ratio is  
12 97 percent or greater, or the loan carries substantial pre-payment penalties or pre-payment  
13 penalties extend beyond the introductory period;

14 (b) interest only loans;

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

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

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