HOUSE DOCKET, NO. 2666 FILED ON: 1/18/2013

HOUSE . . . . . No. 1596

The Commonwealth of Massachusetts

PRESENTED BY:

Jeffrey Sánchez

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to prevent unnecessary vacancies in foreclosed homes.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
Jeffrey Sánchez	*15th Suffolk*
Denise Andrews	*2nd Franklin*
Cory Atkins	*14th Middlesex*
Antonio F. D. Cabral	*13th Bristol*
Marcos A. Devers	*16th Essex*
Gloria L. Fox	*7th Suffolk*
Colleen M. Garry	*36th Middlesex*
Frank A. Moran	*17th Essex*
Sarah K. Peake	*4th Barnstable*
David M. Rogers	*24th Middlesex*
Michael F. Rush	*Norfolk and Suffolk*
Daniel A. Wolf	*Cape and Islands*
Kay Khan	*11th Middlesex*

HOUSE DOCKET, NO. 2666 FILED ON: 1/18/2013

HOUSE . . . . . No. 1596

By Mr. Sánchez of Boston, a petition (accompanied by bill, House, No. 1596) of Jeffrey Sánchez and others relative to occupants remaining in residences after the sale of foreclosed properties. The Judiciary.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE HOUSE, NO. *493* OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act to prevent unnecessary vacancies in foreclosed homes.

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

An Act to prevent unnecessary vacancies in foreclosed homes

SECTION 1. Chapter 244 of the Massachusetts General Laws is hereby amended by inserting after Section 14A the following new section:-

Section 14B: Occupant Remaining in Possession after Sale

If at the time of a sale of residential real property conducted in accordance with a power in a mortgage and with Section 14 of this chapter the mortgagor continues to occupy such property in whole or in part, and if the purchaser at such sale is the mortgagee or other person exercising the power of sale or a subsidiary, parent, trustee, or agent of such mortgagee or person or if the purchaser at such sale is any other entity that engages in mortgage lending or servicing or if the purchaser at such sale is the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation or the Federal Deposit Insurance Corporation, the mortgagor, and any household members, shall be permitted to remain until binding purchase and sale agreement has been executed for a bona fide purchaser who intends to occupy the housing accommodation as such purchaser's primary residence and who is not a foreclosing owner, where such agreement requires the housing accommodation or some portion thereof to be conveyed vacant, the foreclosure sale purchaser may initiate eviction proceedings against the

17 mortgagor pursuant to the provisions of Chapter 239 of the General Laws.in possession of the
18 property during the time the property is owned by the purchaser, provided the mortgagor

19 (1) makes monthly rent payments to the purchaser in an amount agreed to by the
20 mortgagor and purchaser or, in the absence of such agreement, an amount equal to the Fair
21 Market Rent as established by the United States Department of Housing and Urban Development
22 pursuant to 42 U.S.C. c § 1437f(o), as it exists or may be amended, for a unit of comparable size
23 in the area in which the property is located;

24 (2) does not commit a nuisance in the property or cause substantial damage to the
25 property or create a substantial interference with the quiet enjoyment of other occupants of the
26 property;

27 (3) does not use or permit the property to be used for any illegal purpose; and

28 (4) does not refuse the purchaser reasonable access to the property for the purpose of
29 making necessary repairs or improvement required by the laws of the United States, the
30 commonwealth or any subdivision thereof, or for the purpose of inspection as permitted or
31 required by agreement or by law or for the purpose of showing the unit to a prospective
32 purchaser or mortgagee provided.

33 If the mortgagor remaining in possession after sale fails to comply with the conditions set
34 forth in this section or if a binding purchase and sale agreement has been executed for a bona
35 fide third party to purchase the property from the foreclosure sale purchaser, the foreclosure sale
36 purchaser may initiate eviction proceedings against the mortgagor pursuant to the provisions of
37 Chapter 239 of the General Laws.