



Testimony offered on behalf of:
MARYLAND MORTGAGE BANKERS & BROKERS ASSOCIATION, INC.

IN SUPPORT OF:
**SB 675 - Baltimore County - Foreclosure Proceedings - Affidavit That Property Is
Vacant or Unfit for Human Habitation**

Senate Judicial Proceedings Committee
Hearing – 2/25/2020 at 12:00 PM

The Maryland Mortgage Bankers and Brokers Association, Inc. (“MMBBA”) **SUPPORTS SENATE BILL 675.**

Current law (Real Property Article, §7-105.13) permits a foreclosing party to avoid the stringent requirements of foreclosing a deed of trust or mortgage that secures a residential property (which are set forth in RP §7-105.1) if the county or municipal corporation issues a certificate of vacancy or certificate that the property is unfit for human habitation. This is a commonsense approach to an important subject. If a borrower has given up on the property, so much so that the county or municipal corporation will issue such a certificate, there is no need to impose the protections, and the attendant costs and time delays, that are inherent in a foreclosure covered by RP §7-105.1.

In Baltimore County, the problem with this approach is that Baltimore County does not generally issue certificates of vacancy or that properties are unfit for human habitation, even when properties are vacant or unfit for human habitation. So, the whole purpose and benefit of RP §7-105.13 is lost in Baltimore County.

SB 675 fixes this. SB 675 permits a foreclosing lender in Baltimore County to file an affidavit with the papers that initiate a foreclosure proceeding that certifies under oath that the subject property is vacant or unfit for human habitation. This affidavit must be served on the owner of record, and the owner of record has 30 days to move to strike the affidavit. If a lender is determined to have filed a fraudulent affidavit, the lender must pay the borrower’s attorney’s fees.

This is a reasonable solution that restores the legislative intent in passing RP §7-105.13.

For these reasons, the Maryland Mortgage Bankers and Brokers Association urges that you give a **favorable report to SB 675.**

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