

HOUSE No.

[LOCAL APPROVAL RECEIVED.]

The Commonwealth of Massachusetts

PRESENTED BY:

William Lantigua

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 passage of the accompanying bill:

An Act to require just cause for evictions from certain foreclosed residential property in the city of Lawrence.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
William Lantigua	16th Essex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT TO REQUIRE JUST CAUSE FOR EVICTIONS FROM CERTAIN FORECLOSED RESIDENTIAL PROPERTY IN THE CITY OF LAWRENCE.

*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.

2

3 *(a) Definitions.*

4 As used in this Act, the following words shall, unless the context clearly requires otherwise, have
5 the following meanings:

6 *Entity* means a business organization, or any other kind of organization, including without
7 limitation, a corporation, partnership, trust, limited liability corporation, limited liability
8 partnership, joint venture, sole partnership, or any other category of organization, and any
9 employee, agent, servant or other representative of such entity.

10 *Eviction* means any action, without limitation, by a foreclosing owner of a housing
11 accommodation which is intended to compel a tenant or occupant to vacate or to be
12 constructively evicted from such housing accommodation.

13 *"Foreclosing owner"*, an entity that holds title, in any capacity, directly or indirectly, without
14 limitation, whether in its own name, as trustee, or as beneficiary, to a housing accommodation
15 that has been foreclosed upon, and either both (1) held or owned a mortgage or other security
16 interest in the housing accommodation at any point prior to the foreclosure of the housing
17 accommodation or is the subsidiary, parent, trustee, or agent of, or otherwise is related to any
18 entity which held or owned the mortgage or other security interest in the housing accommodation
19 at any time prior to the foreclosure of the housing accommodation; or (2) is an institutional
20 mortgagee that acquires or holds title to the housing accommodation within three years of the
21 filing of a foreclosure deed on the housing accommodation.

22

23 *Foreclosure* means a legal proceeding to terminate a mortgagor's interest in property, instituted
24 by the mortgagee, either to gain title or to force a sale in order to satisfy the unpaid debt secured
25 by the property, including, without limitation, foreclosure by action, by bill in equity, by entry

26 and continuation of possession for three years, and by sale under the power of sale in a mortgage
27 as described in chapter two hundred forty-four of the General Laws.

28
29 *Foreclosure sale* means the foreclosure of a mortgage by sale of a housing accommodation
30 pursuant to a power of sale in a mortgage deed, as described in section fourteen of chapter two
31 hundred forty-four of the General Laws.

32
33 *Housing accommodation* means any building or buildings, structure or structures, or part thereof
34 or land appurtenant thereto, or any other real or personal property used, rented, or offered for
35 rent for living or dwelling purposes, located in the City of Lawrence together with all services
36 connected with the use or occupancy of such property.

37
38 *Institutional mortgagee*, any entity, or any entity which is the subsidiary, parent, trustee, or
39 agent of, or otherwise related to any such entity, that holds or owns mortgages or other security
40 interest in three or more housing accommodations, or acts as a mortgage servicer of three or
41 more housing accommodations.

42
43 *Just cause* means at least one of the following:

- 44
45 (i) the tenant or occupant has failed to pay the rent in effect prior to the foreclosure or failed to
46 pay reasonable use and occupancy charges, but only if the foreclosing owner notified the tenant
47 or occupant in writing of the amount of rent or use and occupancy that was to be paid and to
48 whom it was to be paid;
- 49 (ii) the tenant or occupant has violated an obligation or covenant of the tenancy or occupancy
50 other than the obligation to surrender possession upon proper notice and has failed to cure such
51 violation within a reasonable time after having received written notice thereof from the
52 foreclosing owner;
- 53 (iii) the tenant or occupant is committing or permitting to exist a nuisance in, or is causing
54 substantial damage to, the unit, or is creating a substantial interference with the quiet enjoyment
55 of other occupants;
- 56 (iv) the tenant or occupant is convicted of using or permitting the unit to be used for any illegal
57 purpose;
- 58 (v) the tenant or occupant who had a written lease or other rental agreement which terminated on
59 or after this Act has taken effect, has refused, after written request or demand by the foreclosing
60 owner to execute a written extension or renewal thereof for a further term of like duration and in
61 such terms that are not inconsistent with or violative of any provisions of this Act; or
- 62 (vi) the tenant or occupant has refused the foreclosing owner reasonable access to the unit for the
63 purpose of making necessary repairs or improvement required by the laws of the United States,
64 the Commonwealth or any subdivision thereof, or for the purpose of inspection as permitted or
65 required by agreement or by law or for the purpose of showing the rental housing unit to a
66 prospective purchaser or mortgagee.

67
68 *Mortgagee* means an entity to whom property is mortgaged; the mortgage creditor, or lender,
69 including, but not limited to, mortgage servicers, lenders in a mortgage agreement and any agent,
70 servant, or employee of the mortgagee, or any successor in interest and/or assignee of the
71 mortgagee's rights, interests or obligations under the mortgage agreement.

72
73 *Mortgage Servicer* means an entity which administers or at any point administered the mortgage,
74 including, but not limited to, calculating principal and interest, collecting payments from the
75 mortgagor, acting as an escrow agent, and foreclosing in the event of a default.

76
77 *Tenant or occupant* means any person or group of persons entitled to occupy a housing
78 accommodation pursuant to a written lease, tenancy at will, tenancy at sufferance or otherwise.

79
80 *'Unit' or 'residential unit'* means the room or group of rooms within a housing accommodation,
81 located in the City of Lawrence which is used or intended for use as a residence by one
82 household.

83
84 *(b) Foreclosure Eviction.*

85 Notwithstanding any other special or general law to the contrary, the foreclosing owner shall not
86 evict a tenant or occupant from a housing accommodation located in the City of Lawrence except
87 for just cause.

88
89 *(c) Penalties.*

90 Any foreclosing owner that evicts tenants or occupants in violation of any provisions of this Act
91 shall be punished by a fine of not less than ten thousand dollars. Each eviction done in violation
92 of this Act constitutes a separate offense.

93
94 *(d) Jurisdiction.*

95 The Essex County Superior Court and the Northeast Housing Court shall have jurisdiction over
96 an action arising from any violation of this Act and shall have jurisdiction in equity to restrain
97 any such violation. No tenant or occupant shall be evicted in violation of any provision of this
98 Act. It shall be a defense to eviction that the foreclosing owner attempted to evict a tenant or
99 occupant in violation of any provision of this Act.

100
101 *(e) Severability.*

102 If any provision of this Act or the application of such provision to any person or circumstance
103 shall be held invalid, the validity of the remainder of this Act and the applicability of such
104 provision to other persons or circumstances shall not be affected thereby.

105
106 SECTION 2.

107
108 The provisions of this Act shall be effective immediately upon passage and shall cease to have
109 effect three years after passage.