

Fast-Track Foreclosure Process Coming to Maryland, is Pennsylvania Next?

PUBLISHED ON
July 14, 2017

Pennsylvania now has two neighbors that have passed fast-track foreclosure bills and the Keystone State is considering adding its own as a method to avoid a backlog of blighted properties.

Maryland recently joined Ohio in [passing fast-track foreclosure bills](#), which expedite the foreclosure process for vacant properties.

Pennsylvania's fast-track foreclosure process, which [Barley Snyder](#) attorneys continue to track, would allow lenders and servicers to obtain certification that a property is vacant and abandoned. If certified, it would allow a streamlined service of notices, removal of properties from local diversion programs and expedite a sheriff's sale.

The bill [passed through the House in May](#), and currently is being considered in the Senate before it would need Gov. Tom Wolf's signature for final approval. Lenders and mortgage servicers are encouraged to continue monitoring for this possible development in Pennsylvania.

Maryland's new law creates a procedure for the foreclosure process to be completed in as little as six months. By creating a fast-track program, Maryland legislators hope they can curb the tide of vacant and abandoned properties mired in a foreclosure process that now takes as long as two years. By allowing banks and mortgage servicers to quickly and efficiently foreclose on vacant and abandoned homes, the hope is properties can be preserved, sold and rehabilitated sooner rather than later.

The fast-track foreclosure law will allow lenders to file a petition for leave to immediately commence its foreclosure action if the subject property is vacant and abandoned. The law has a set of standards to qualify a residential property as "vacant and abandoned":

- The court finds the mortgage has been in default for 120 days or more.
- At least three of the eleven criteria for vacancy are met.
- No mortgagor has filed an objection or answer to the petition setting forth a defense that would preclude final judgment.
- No mortgagor has officially claimed the property is not vacant and abandoned.

The criteria for proving vacancy include disconnected utilities, boarded up windows and doors, continuously unsecured structure, and accumulation of junk, litter, and debris. The Maryland law will go into effect on October 1.

For more information on residential mortgage foreclosures in both Maryland and Pennsylvania, please contact

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