GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

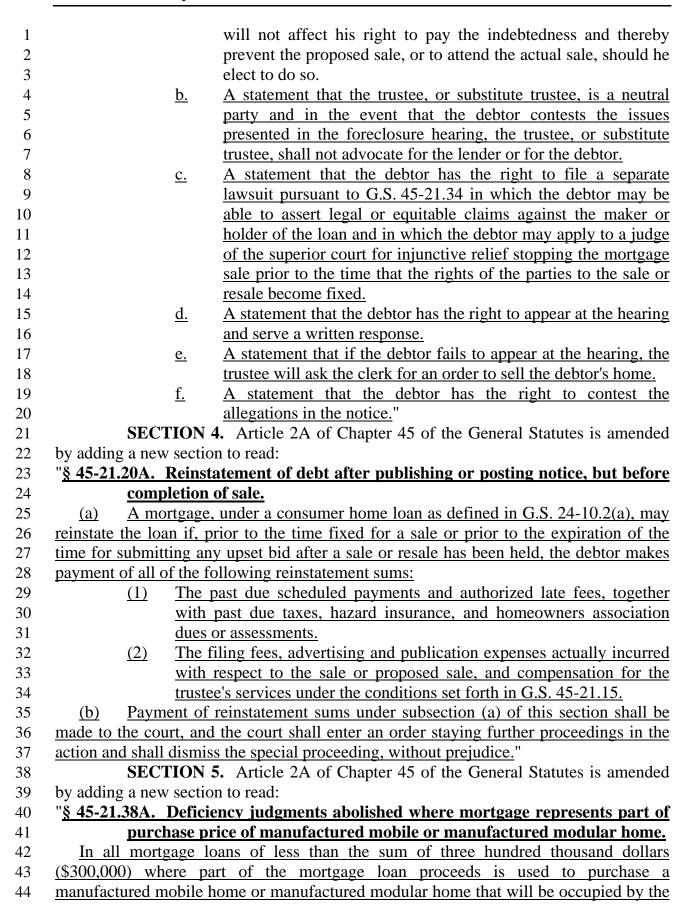
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HOUSE DRH60307-LD-115 (03/29)

Short Title:	Foreclosure Reform. (Public
Sponsors:	Representative Michaux.
Referred to:	
	A BILL TO BE ENTITLED
ΔΝ ΔCΤ ΤΟ	D IMPROVE THE FORECLOSURE PROCESS.
	Assembly of North Carolina enacts:
	ECTION 1. G.S. 45-21.16(c)(5) reads as rewritten:
	5) Any right of the debtor to pay the indebtedness or cure the default is
`	such is permitted.to reinstate the loan pursuant to contract or under
	G.S. 45-21.20A."
S	ECTION 2. G.S. 45-21.16(c)(5a) reads as rewritten:
"(5a) The holder has confirmed in writing to the person giving the notice, or
	if the holder is giving the notice, the holder shall confirm in the notice
	that, within 30 days of the date of the notice, the debtor was sent by
	first-class mail at the debtor's last known address a written statement
	of the amount of principal and interest that the holder claims in good
	faith is owed as of the date of the written statement, a daily interest
	charge based on the contract rate as of the date of the statement, and
	the amount of other expenses the holder contends it is owed as of the
	date of the statement, statement, and the amount necessary to reinstate
G.	the loan under G.S. 45-21.20A."
	ECTION 3. G.S. 45-21.16(c)(7) reads as rewritten:
"(7) The right of the debtor (or other party served) to appear before the
	clerk of court at a time and on a date specified, at which appearance he shall be afforded the opportunity to show cause as to why the
	foreclosure should not be allowed to be held. The notice shall contain a
	all of the following:
	a. A statement that if the debtor does not intend to contest the
	a. It statement that if the decide does not intend to contest the

creditor's allegations of default, the debtor does not have to

appear at the hearing and that his failure to attend the hearing



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- borrower as the borrower's principal dwelling, the mortgage, or trustee, or holder of the notes secured by such mortgage or deed of trust shall not be entitled to a deficiency
- 3 judgment on account of such mortgage, deed of trust, or obligation secured by the
- 4 same."
- 5 **SECTION 6.** This act becomes effective October 1, 2005, and applies to any
- 6 loan agreement entered into on or after that date.

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