



1 provide any other information the Agency determines is pertinent or  
2 that the General Assembly requests.

3 **SECTION 1.(b)** As used in this section, the following definitions apply:

- 4 (1) Agency. – The North Carolina Housing Finance Agency.  
5 (2) Counseling agency. – A nonprofit counseling agency located in North  
6 Carolina that is approved by the North Carolina Housing Finance  
7 Agency.  
8 (3) Mortgage. – An obligation evidenced by a security document and  
9 secured by a lien upon real property located within North Carolina,  
10 including a deed of trust and land sale agreement. "Mortgage" also  
11 means an obligation evidenced by a security lien on real property upon  
12 which an owner-occupied mobile home is located.  
13 (4) Mortgagee. – The owner of a beneficial interest in a mortgage loan, the  
14 servicer for the owner of a beneficial interest in a mortgage loan, or the  
15 trustee for a securitized trust that holds title to a beneficial interest in a  
16 mortgage loan.

17 **SECTION 1.(c)** Notwithstanding Chapters 23, 24, and 45 of the General  
18 Statutes or any other provision of law, upon the proper filing of an application for loan  
19 assistance by a mortgagor under this section, a mortgagee shall not do the following for  
20 a period of 120 days following the date of the mortgagor's properly filed application:

- 21 (1) Accelerate the maturity of any mortgage obligation covered under this  
22 section.  
23 (2) Commence or continue any legal action, including mortgage  
24 foreclosure pursuant to Chapter 45 of the General Statutes, to recover  
25 the mortgage obligation.  
26 (3) Take possession of any security of the mortgagor for the mortgage  
27 obligation.  
28 (4) Procure or receive a deed in lieu of foreclosure.  
29 (5) Enter judgment by confession pursuant to a note accompanying a  
30 mortgage.  
31 (6) Proceed to enforce the mortgage obligation pursuant to applicable  
32 rules of civil procedure.

33 The provisions of this section shall not apply if the mortgagee receives notice  
34 from the Agency that the mortgagor's application has been denied.

35 If a mortgagee acts as proscribed in subdivisions (1) through (6) of this  
36 subsection, a mortgagor shall be entitled to injunctive relief without the necessity of  
37 providing a bond. This relief shall be in addition to any defenses available under  
38 G.S. 45-21.16(d) and any other remedies at law or equity.

39 Upon the Agency's receipt of a properly filed mortgagor's application for loan  
40 assistance, the Agency shall mail notice of the application to the mortgagor's mortgagee  
41 within 10 business days of the Agency's receipt of the application. The Agency shall  
42 also mail notice of the acceptance or denial of the mortgagor's application to the  
43 mortgagee within five days of the Agency's determination. Notice shall be deemed  
44 sufficient if sent to the last known address of the mortgagee.

1           **SECTION 1.(d)** Rule Making. – Solely with respect to the adoption of  
2 procedures for the program by which property owners at risk of being foreclosed upon  
3 may qualify for assistance, the Agency is exempt from the requirements of Article 2A  
4 of Chapter 150B of the General Statutes. Prior to adoption or amendment of procedures,  
5 the Agency shall:

6           (1) Publish the proposed procedures in the North Carolina Register at least  
7           30 days prior to the adoption of the final procedures.

8           (2) Accept oral and written comments on the proposed procedures.

9           (3) Hold at least one public hearing on the proposed procedures.

10           **SECTION 2.** There is appropriated from the General Fund to the North  
11 Carolina Housing Finance Agency the sum of three million dollars (\$3,000,000) in  
12 recurring funds for the 2008-2009 fiscal year for the North Carolina Home Protection  
13 Program. Funds appropriated under this act to the North Carolina Housing Finance  
14 Agency that are unexpended and unencumbered shall not revert but shall remain  
15 available to be used by the North Carolina Housing Finance Agency for the North  
16 Carolina Home Protection Program.

17           **SECTION 3.** This act becomes effective on July 1, 2008.