



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
LEGISLATIVE AND REGULATORY AFFAIRS
PO Box 325
TRENTON, NJ 08625-0325

JON S. CORZINE
Governor

TEL (609) 984-3602
FAX (609) 292-0896

STEVEN M. GOLDMAN
Commissioner

BULLETIN NO. 09-30

TO: ALL NEW JERSEY CHARTERED BANKS, SAVINGS BANKS, SAVINGS ASSOCIATIONS, CREDIT UNIONS, NEW JERSEY LICENSED MORTGAGE BANKERS AND OTHER INTERESTED PARTIES

FROM: NEIL N. JASEY, COMMISSIONER

RE: REPORTING OF FORECLOSURE PROCEEDINGS INSTITUTED IN NEW JERSEY ON RESIDENTIAL MORTGAGES

This Bulletin amends and supplements [Bulletin No. 09-13](#) issued on April 23, 2009.

The Mortgage Stabilization and Relief Act, P.L. 2008, c. 127, ("the Act") enacted on January 9, 2009, requires the Department of Banking and Insurance (Department) to promulgate regulations to effectuate Section 15 of the Act, N.J.S.A. 46:10B-49. That section requires all creditors that institute a mortgage foreclosure proceeding in the Superior Court of New Jersey (Court) to report to the Department, on a quarterly basis and on a form promulgated by the Department, information about the number of mortgage foreclosure proceedings instituted by the creditor. "Instituting a mortgage foreclosure proceeding" means the filing a complaint with the Court seeking to foreclose upon a residential mortgage. Only creditors who file at least one such complaint during a calendar quarter are required to report data for that time period.

The Department anticipates that the creditor filing the information will be the servicer of the mortgage. If there is no servicer, the creditor submitting the information will be the mortgagee.

The Act became effective on April 1, 2009 and requires the Department to adopt regulations to implement Section 15. The Department's Notice of Proposal of those rules was published in the New Jersey Register on June 15, 2009 (see 41 NJR 2367(a)) and the 60 day comment period on the proposal expired on August 14, 2009. No comments were received. The proposed rules provide that creditors shall file the reports on a calendar quarter basis beginning with the report for the third quarter, 2009, with the reports due within 30 days of the conclusion of the calendar quarter. Thus, the initial report of the third quarter, 2009 data would be due by October 30, 2009.

The Department issued [Bulletin No. 09-13](#) to provide guidance to creditors on complying with the Act until the rules are formally adopted. Consistent with the proposed rules, that Bulletin also indicated that creditors would file their initial report containing data for the third quarter, 2009 by October 30, 2009. However, due to delays in creating the web-based system to enable creditors to file the reports electronically, that system will not be available before mid- to late-November, 2009. Consequently, creditors will not be able to file their reports for the third quarter, 2009 data by the October 30, 2009 date indicated in Bulletin No. 09-13 and in the Notice of Proposed Rules.

The Department intends to amend the rules upon adoption to provide for a delayed filing deadline of December 31, 2009 for the third quarter, 2009 initial report. The adopted rules will require that all subsequent reports, commencing with the report for the fourth quarter, 2009, shall be due within 30 days of the close of the calendar quarter, as was set forth in the Notice of Proposed New Rules.

As was referenced in the proposal and in Bulletin 09-13, the rules will require creditors to report the data by county and municipality of the mortgaged property and by the year in which the mortgage was executed. Data will be reported on the number of such mortgages on which foreclosure complaints were filed in each of the following categories: fixed rate mortgages; adjustable rate mortgages; conforming mortgages; non-conforming mortgages; VA mortgages; FHA mortgages; USDA rural development mortgages; prime rate mortgages; subprime rate mortgages and interest only mortgages. [Copies of the reporting form, the definitions used in it and further instructions](#) are available on the Department's website at www.njdobi.org. The proposed rules are also available on the website and, upon its being published in the New Jersey register, the Notice of Adoption of the new rules will also be posted on the website. After reviewing this bulletin and the online information, any questions may be submitted in writing to the Department via fax to 609-292-3602 or via email to legsregs@dobi.state.nj.us, with "Bulletin No. 09-30" referenced on the fax cover sheet or entered in the subject line of the e-mail.

The department anticipates that the rules will be adopted sometime in November, 2009 and the electronic reporting system will be operational by on or about November 17, 2009. Creditors may commence reporting their third quarter, 2009 data immediately upon the system becoming available and will be required to file their complete report by December 31, 2009. Creditors and other interested parties should monitor the Department's website for updates on the availability of the reporting system and the adoption of the rules. Until the rules are formally adopted creditors should be guided by this Bulletin in order to comply with the statutory reporting requirements now in effect.

09/24/09
Date

/s/ Neil N. Jasey
Neil N. Jasey
Commissioner

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