



General Assembly

**Substitute Bill No. 7388**

January Session, 2019



**AN ACT PROTECTING A MORTGAGOR FROM AN UNREASONABLE  
INVASION OF HIS OR HER PRIVACY BY A MORTGAGE HOLDER.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2019*) (a) As used in this  
2 section:

3 (1) "Mortgage" means a mortgage deed, deed of trust or other  
4 equivalent consensual security interest on residential real property  
5 securing a loan made primarily for personal, family or household  
6 purposes that is first in priority over any other mortgages or liens  
7 encumbering the residential real property, except those liens that are  
8 given priority over a mortgage pursuant to state or federal law;

9 (2) "Mortgagee" means the owner or servicer of the debt secured by  
10 a mortgage;

11 (3) "Mortgagor" means the owner-occupant of residential real  
12 property located in this state who is also the borrower under the loan  
13 that is secured by a mortgage and includes the heirs or assigns of the  
14 mortgagor; and

15 (4) "Residential real property" means a one-to-four-family dwelling  
16 occupied as a residence by a mortgagor.

17 (b) No property preservation clause set forth in any mortgage  
18 permitting the mortgagee the right to secure, preserve or protect the  
19 residential real property shall be construed as to permit the mortgagee,  
20 or any agent, employee or representative of the mortgagee, to enter  
21 upon the residential real property without the permission of the  
22 owner, occupant or mortgagor or an order of the superior court for the  
23 judicial district in which the property is situated.

24 (c) No mortgagee or any agent, employee or representative of the  
25 mortgagee shall enter upon the residential real property secured by the  
26 mortgage without the permission of the owner, occupant or mortgagor  
27 or an order of the superior court for the judicial district in which the  
28 property is situated.

29 (d) On and after October 1, 2019, no mortgagee shall require a  
30 mortgagor, as a condition of obtaining a loan, to agree that a  
31 mortgagee, or assignee of such mortgagee, has any right to enter the  
32 residential real property secured by the mortgage without the  
33 permission of the owner, occupant or mortgagor or an order of the  
34 superior court for the judicial district in which the property is situated.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	New section

**JUD**      *Joint Favorable Subst.*