

1.1 A bill for an act

1.2 relating to real property; providing for mediation prior to commencement  
1.3 of mortgage foreclosure proceedings on homestead property; creating a  
1.4 homestead-lender mediation account; amending Minnesota Statutes 2008,  
1.5 sections 357.18, subdivision 1; 508.82, subdivision 1; 508A.82, subdivision  
1.6 1; 580.021; 580.022, subdivision 1; 580.23, by adding a subdivision; 582.30,  
1.7 subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 583.

1.8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.9 **ARTICLE 1**

1.10 **HOMESTEAD-LENDER MEDIATION**

1.11 Section 1. Minnesota Statutes 2008, section 580.021, is amended to read:

1.12 **580.021 FORECLOSURE PREVENTION COUNSELING; MEDIATION**  
1.13 **REFERRAL.**

1.14 Subdivision 1. **Applicability.** This section applies to foreclosure of mortgages under  
1.15 this chapter or chapter 581 on property consisting of one to four family dwelling units, one  
1.16 of which the owner occupies as the owner's principal place of residency on the date of  
1.17 service of the notice of sale of the owner.

1.18 Subd. 2. **Requirement to provide notice of opportunity for counseling and**  
1.19 **mediation.** When the written notice required under section 47.20, subdivision 8, is  
1.20 provided and before the notice of pendency under section 580.032, subdivision 3, is filed,  
1.21 a party foreclosing on a mortgage must provide to the mortgagor information contained in  
1.22 a form prescribed in section 580.022, subdivision 1, that:

1.23 (1) foreclosure prevention counseling services provided by an authorized foreclosure  
1.24 prevention counseling agency are available; ~~and~~

2.1 (2) notice that the party will transmit the homeowner's name, address, and telephone  
2.2 number to an approved foreclosure prevention agency and the Office of the Attorney  
2.3 General; and

2.4 (3) notice that if the mortgagor receives counseling services but is unable to  
2.5 resolve the default, the mortgagor may have the mortgage debt reviewed in a mediation  
2.6 proceeding with a mediator approved by the attorney general.

2.7 Clause (3) expires on July 1, 2012.

2.8 Nothing in this subdivision prohibits the notices required by this subdivision  
2.9 from being provided concurrently with the written notice required under section 47.20,  
2.10 subdivision 8.

2.11 For the purposes of this section, an "authorized foreclosure prevention counseling  
2.12 agency" or "counseling agency" is a government agency or a nonprofit agency approved  
2.13 funded, all or in part for foreclosure prevention services, by the Minnesota Housing  
2.14 Finance Agency or the United States Department of Housing and Urban Development, or  
2.15 otherwise approved by the United States Department of Housing and Urban Development  
2.16 to provide foreclosure prevention counseling services.

2.17 Subd. 3. **Notification to authorized counseling agency.** The party entitled to  
2.18 foreclose shall, within one week of sending the notice prescribed in section 580.022,  
2.19 provide to the appropriate authorized foreclosure prevention counseling agency and the  
2.20 Office of the Attorney General the mortgagor's name, address, and most recent known  
2.21 telephone number.

2.22 Subd. 4. **Notice of provision of counseling; request for contact information.** (a)  
2.23 An authorized foreclosure prevention counseling agency that contacts or is contacted by a  
2.24 mortgagor or the mortgagor's authorized representative and agrees to provide foreclosure  
2.25 prevention assistance services to the mortgagor or representative must provide the form  
2.26 prescribed in section 580.022, subdivision 2, to the mortgagee. The form serves as  
2.27 notice to the mortgagee that the mortgagor is receiving foreclosure prevention counseling  
2.28 assistance. Upon receipt of the form, the mortgagee must not commence or continue a  
2.29 foreclosure proceeding past the day prior to the time when the initial published notice  
2.30 contained in section 580.03 must be given, except when allowed under sections 583.40  
2.31 to 583.48.

2.32 (b) The mortgagee must return the form to the ~~authorized foreclosure prevention~~  
2.33 counseling agency within 15 days of receipt of the form with the name and telephone  
2.34 number of the mortgagee's agent. The agent must be a person authorized by the mortgagee  
2.35 to:

3.1 (1) discuss with the ~~authorized foreclosure prevention~~ counseling agency or the  
3.2 mortgagor the terms of the mortgage; and

3.3 (2) negotiate any resolution to the mortgagor's default.

3.4 (c) Nothing in this subdivision requires a mortgagee to reach a resolution relating to  
3.5 the mortgagor's default.

3.6 Subd. 5. **Mediation referral.** (a) If an authorized foreclosure prevention counseling  
3.7 agency provides counseling services to a mortgagor, the counseling agency must discuss  
3.8 repayment options and alternatives for resolving the default with the mortgagor and  
3.9 mortgagee. If the mortgagor and mortgagee are unable to negotiate a resolution of the  
3.10 mortgagor's default within 60 days of receipt of the form submitted by the mortgagee  
3.11 under subdivision 4, paragraph (b), the counseling agency must give the mortgagor a  
3.12 mediation request affidavit in the form prescribed in section 583.46, subdivision 2, unless  
3.13 the mortgagor is not eligible for mediation under section 583.41. The counseling agency  
3.14 also must inform the mortgagor that if the mortgagor wishes to pursue mediation, the form  
3.15 must be sent by certified mail to the attorney general within seven days of receipt of the  
3.16 form. The counseling agency must forward the mortgagor's name to the attorney general  
3.17 along with a copy of the form submitted by the mortgagee under subdivision 4, paragraph  
3.18 (b), to verify the mortgagor's eligibility to participate in mediation.

3.19 (b) This subdivision expires on July 1, 2012.

3.20 Sec. 2. Minnesota Statutes 2008, section 580.022, subdivision 1, is amended to read:

3.21 Subdivision 1. **Counseling form.** The notice required under section 580.021,  
3.22 subdivision 2, ~~clause (2)~~, must be printed on colored paper that is other than the color of  
3.23 any other document provided with it and must appear substantially as follows:

3.24 **"PREFORECLOSURE NOTICE**

3.25 **Foreclosure Prevention Counseling and Mediation**

3.26 **Why You Are Getting This Notice**

3.27 YOU HAVE DEFAULTED ON A MORTGAGE OF THE HOMESTEAD  
3.28 PROPERTY DESCRIBED AS [Legal Description and Property Address]. THE HOLDER  
3.29 OF THE MORTGAGE, [Name of Holder of Mortgage] INTENDS TO FORECLOSE ON  
3.30 THIS PROPERTY. YOU HAVE THE RIGHT TO PARTICIPATE IN A MEDIATION  
3.31 PROCESS TO SEE IF A RESOLUTION CAN BE REACHED WITH [Name of Holder  
3.32 of Mortgage]. TO LEARN MORE ABOUT MEDIATION, CONTACT THE OFFICE OF  
3.33 THE ATTORNEY GENERAL AT (651) 296-3353 OR 1-800-657-3787, OR ONLINE AT  
3.34 WWW.AG.STATE.MN.US. IF YOU WANT TO PARTICIPATE IN MEDIATION, YOU

4.1 MUST FIRST PARTICIPATE IN FORECLOSURE PREVENTION COUNSELING  
4.2 WITH THE AGENCY LISTED BELOW.

4.3 We do not want you to lose your home and your equity. Government-approved  
4.4 nonprofit agencies are available to, if possible, help you prevent foreclosure.

4.5 We have given your contact information to an authorized foreclosure prevention  
4.6 counseling agency to contact you to help you prevent foreclosure.

4.7 **Who Are These Foreclosure Prevention Counseling Agencies**

4.8 They are nonprofit agencies who are experts in housing and foreclosure prevention  
4.9 counseling and assistance. They are experienced in dealing with lenders and homeowners  
4.10 who are behind on mortgage payments and can help you understand your options and  
4.11 work with you to address your delinquency. They are approved by either the Minnesota  
4.12 Housing Finance Agency or the United States Department of Housing and Urban  
4.13 Development. They are not connected with us in any way.

4.14 **Which Agency Will Contact You**

4.15 [insert name, address, and telephone number of agency]

4.16 You can also contact them directly."

4.17 Sec. 3. Minnesota Statutes 2008, section 580.23, is amended by adding a subdivision  
4.18 to read:

4.19 Subd. 1a. **Five-month redemption period.** (a) Notwithstanding subdivision 1,  
4.20 if, before the sale of lands in conformity with the preceding sections of this chapter,  
4.21 the mortgagor or the mortgagor's personal representatives or assigns participated in  
4.22 mediation proceedings under sections 583.40 to 583.49, the period of time for redemption  
4.23 as provided under subdivision 1 is five months instead of six months.

4.24 (b) If the mortgagor or the mortgagor's personal representatives or assigns  
4.25 participated in mediation proceedings under sections 583.40 to 583.49, and the mortgagor  
4.26 or owner seeks to postpone the sale as permitted by section 580.07, the postponement  
4.27 must be to the first date that is not a Saturday, Sunday, or legal holiday and is four months  
4.28 after the originally scheduled date of sale. Except as provided in this paragraph, the  
4.29 mortgagor or owner must otherwise follow the provisions of section 580.07 in seeking  
4.30 a postponement of sale.

4.31 (c) This subdivision expires on July 1, 2012.

4.32 **EFFECTIVE DATE.** Paragraph (b) is effective only if the provisions contained in  
4.33 2009 House File Number 19, the first engrossment, are enacted into law.

5.1 Sec. 4. Minnesota Statutes 2008, section 582.30, subdivision 2, is amended to read:

5.2 Subd. 2. ~~Not if six-month or five-week redemption period~~ No deficiency  
5.3 judgment. A deficiency judgment is not allowed if a mortgage is foreclosed by  
5.4 advertisement under chapter 580, and has a redemption period of six months under section  
5.5 580.23, subdivision 1, five months under section 580.23, subdivision 1a, or five weeks  
5.6 under section 582.032.

5.7 Sec. 5. [583.40] DEFINITIONS.

5.8 Subdivision 1. Applicability. The definitions in this section apply to sections  
5.9 583.40 to 583.48.

5.10 Subd. 2. Commence a foreclosure proceeding. "Commence a foreclosure  
5.11 proceeding" means to file a notice of pendency under section 580.032 or commence a  
5.12 foreclosure action under chapter 581.

5.13 Subd. 3. Send. "Send" means to deliver by certified mail or another method  
5.14 acknowledging receipt.

5.15 Subd. 4. Serve. "Serve" means personal service under the Minnesota Rules of  
5.16 Civil Procedure.

5.17 Sec. 6. [583.41] APPLICABILITY.

5.18 Subdivision 1. Creditors. (a) Sections 583.40 to 583.48 apply to a person who is  
5.19 the holder of a mortgage to which section 580.021 applies.

5.20 (b) Sections 583.40 to 583.48 do not apply to property if the holder of the mortgage,  
5.21 before selling the property to the owner, occupied the property as the holder's principal  
5.22 place of residency.

5.23 Subd. 2. Debtors. Sections 583.40 to 583.48 apply to a debtor who has received  
5.24 foreclosure prevention counseling under section 580.021 and who has been verified as  
5.25 eligible for mediation by an authorized foreclosure prevention counseling agency, or who  
5.26 files a mediation request under section 583.42, subdivision 1, paragraph (b), indicating  
5.27 that the debtor did not receive the required preforeclosure prevention counseling and  
5.28 mediation notice. Sections 583.40 to 583.48 do not apply to a debtor who qualifies as a  
5.29 debtor under the Farmer-Lender Mediation Act.

5.30 Subd. 3. Applicability. Sections 580.40 to 583.48 do not apply to mortgages  
5.31 refinanced or modified under the Home Affordable Refinance or Home Affordable  
5.32 Modification Programs established by the United States Treasury Department in 2009.

5.33 Subd. 4. Eligibility. For the purposes of sections 580.40 to 583.48, a debtor is  
5.34 eligible for mediation only if the following criteria apply:

6.1 (1) the debtor generally meets all the mediation eligibility requirements in sections  
6.2 583.40 to 583.48;

6.3 (2) if, while the foreclosure prevention counseling agency provided counseling  
6.4 services to the debtor, the creditor did not modify the debtor's mortgage loan that is subject  
6.5 to the foreclosure proceeding; and

6.6 (3) there is a reasonable likelihood that the debtor could afford a modified loan.  
6.7 The mediator must consider whether a potential loan modification would result in a  
6.8 debt-to-income ratio that is within the traditional secondary market loan qualification  
6.9 guidelines established by Fannie Mae and/or Freddie Mac.

6.10 Subd. 5. **Exemption.** Sections 583.40 to 583.48 do not apply to mortgages  
6.11 originated, serviced, and held by a credit union, an organization majority-owned by one  
6.12 or more credit unions, a savings association, or a bank that has a physical location in  
6.13 Minnesota and has had five foreclosures or less during twelve months preceding the date  
6.14 of the foreclosure notice for the subject mortgage. This exemption only applies if the  
6.15 credit union, savings association, or bank underwrote the loans in its portfolio to prudent  
6.16 industry lending standards including requiring income documentation and verification.

6.17 Sec. 7. **[583.42] MANDATORY MEDIATION PROCEEDINGS.**

6.18 Subdivision 1. **Mediation request.** (a) A debtor who wishes to participate in  
6.19 mediation must send a mediation request affidavit in the form prescribed in section 583.46,  
6.20 subdivision 2 to the attorney general within seven days after receiving the mediation  
6.21 request affidavit from the counseling agency under section 580.021, subdivision 5. The  
6.22 debtor must disclose all known creditors with debts secured by the property. A debtor  
6.23 who fails to send a timely mediation request waives the right to mediation under sections  
6.24 583.40 to 583.48 for that specific mortgage foreclosure. Upon receipt of a mediation  
6.25 request affidavit, the attorney general must send a copy of the affidavit to the holder of  
6.26 the mortgage. The holder of the mortgage must not commence a foreclosure proceeding  
6.27 against the property or proceed with a proceeding to which paragraph (b) applies until the  
6.28 stay of the foreclosure is lifted or as otherwise authorized under sections 583.40 to 583.48.

6.29 (b) If a debtor did not receive the preforeclosure prevention counseling and  
6.30 mediation notice required under section 580.021 and a mortgage foreclosure proceeding  
6.31 has been commenced against the debtor's property, the debtor may send the mediation  
6.32 request affidavit to the attorney general at any time before the time when the initial public  
6.33 notice contained in section 580.03 must be given. The mediation request affidavit must  
6.34 indicate that the debtor has not received the required notice.

7.1 (c) The attorney general must combine all mediation requests for the same debtor  
7.2 that are received before the initial mediation meeting into one mediation proceeding.

7.3 (d) The debtor shall only be entitled to a single mediation proceeding for that specific  
7.4 mortgage foreclosure. In the event a mortgage is modified through the mediation process  
7.5 contained in sections 583.40 to 583.48, that mortgage shall not be eligible for mediation if  
7.6 the modified mortgage becomes the subject of subsequent foreclosure proceeding.

7.7 Subd. 2. **Mediation proceeding notice.** (a) Within ten days after receiving a  
7.8 mediation request, the attorney general must send:

7.9 (1) a mediation proceeding notice to the debtor; and

7.10 (2) a mediation proceeding notice to all creditors with a lien on the property listed by  
7.11 the debtor in the mediation request.

7.12 (b) The mediation proceeding notice must disclose:

7.13 (1) the name and address of the debtor;

7.14 (2) that the debtor has requested mediation under sections 583.40 to 583.48;

7.15 (3) the time and place for the initial mediation meeting;

7.16 (4) that in lieu of having a mediator assigned by the attorney general, the debtor and  
7.17 any one or more of the creditors may agree to select and pay for a professional mediator  
7.18 who must be approved by the attorney general;

7.19 (5) that sections 583.40 to 583.48 do not prohibit the creditor from continuing the  
7.20 foreclosure proceeding up through, but not including, the time when the initial published  
7.21 notice contained in section 580.03 must be given but the creditor must not publish the  
7.22 initial notice, except as otherwise allowed under sections 583.40 to 583.48;

7.23 (6) by the initial mediation meeting, the creditor must provide the debtor with a copy  
7.24 of the mortgage and note, a statement of interest rates on the debt, delinquent payments,  
7.25 unpaid principal and interest balances, the creditor's estimate of value of the property, and  
7.26 a general description of the debt restructuring programs available from the creditor; and

7.27 (7) by the initial mediation meeting, the debtor must provide the creditor and the  
7.28 mediator with full documentation of the debtor's income and financial obligations.

7.29 (c) An initial mediation meeting must be held within 20 days of the mediation  
7.30 proceeding notice. The initial mediation meeting shall be held by telephone or  
7.31 video conference. The mediator shall reserve the right to require the parties, or their  
7.32 representatives, to appear in person for subsequent mediation meetings, if the mediator  
7.33 concludes and certifies that the personal attendance of the parties is reasonably necessary  
7.34 for a meaningful conclusion of the mediation. At the initial mediation meeting, the  
7.35 mediator shall determine whether or not there is a reasonable likelihood that the debtor  
7.36 could afford a modified loan.

8.1 (d) In lieu of the attorney general assigning a mediator, the debtor and creditor may  
8.2 agree to select and pay for a professional mediator for the mediation proceeding. The  
8.3 attorney general must approve the professional mediator before the professional mediator  
8.4 may be assigned to the mediation proceeding. The professional mediator may not be  
8.5 approved unless the professional mediator prepares and signs an affidavit:

8.6 (1) disclosing any biases, relationships, or previous associations with the debtor or  
8.7 creditor subject to the mediation proceedings;

8.8 (2) stating certifications, training, or qualifications as a professional mediator;

8.9 (3) disclosing fees to be charged or a rate schedule of fees for the mediation  
8.10 proceeding; and

8.11 (4) affirming to uphold sections 583.40 to 583.48.

8.12 **Subd. 3. Effect of mediation proceeding notice.** (a) Sections 583.40 to 583.48  
8.13 do not prevent a creditor from continuing the foreclosure proceeding up through, but not  
8.14 including, the time when the initial published notice contained in section 580.03 must be  
8.15 given. A creditor must not publish the initial notice, except as otherwise allowed under  
8.16 sections 583.40 to 583.48.

8.17 (b) Notwithstanding paragraph (a), a creditor receiving a mediation proceeding  
8.18 notice may commence or continue a mortgage foreclosure proceeding against the property  
8.19 if:

8.20 (1) the creditor receives a mediator's affidavit of the debtor's lack of good faith  
8.21 under section 583.43;

8.22 (2) ten days have expired since the debtor and creditor signed an unrevoked  
8.23 agreement under subdivision 7 allowing the creditor to commence mortgage foreclosure  
8.24 proceedings against the property; or

8.25 (3) the creditor receives a termination statement under subdivision 8.

8.26 (c) A creditor receiving a mediation proceeding notice must provide the debtor  
8.27 by the initial mediation meeting with a copy of the mortgage and note, a statement of  
8.28 interest rates on the debt, delinquent payments, unpaid principal and interest balances,  
8.29 the creditor's estimate of the value of the property, and a general description of the debt  
8.30 restructuring programs available from the creditor.

8.31 (d) The provisions of this subdivision are subject to section 583.43, relating to  
8.32 extensions or reductions in the period before a creditor may commence or continue a  
8.33 mortgage foreclosure proceeding.

8.34 **Subd. 4. Eligibility and duties of mediator.** (a) The attorney general may appoint  
8.35 and arrange for the compensation of mediators who are qualified persons experienced  
8.36 in finance or negotiation.



9.1 (b) A person is not eligible to be a mediator if the person has a conflict of interest  
9.2 that does not allow the person to be impartial.

9.3 (c) At all mediation meetings, the mediator shall:

9.4 (1) attempt to mediate between the debtor and the creditors;

9.5 (2) advise the debtor and creditors of assistance programs that are available;

9.6 (3) attempt to arrive at an agreement to fairly adjust, refinance, or pay the mortgage  
9.7 debt; and

9.8 (4) advise, counsel, and assist the debtor and creditor in attempting to arrive at an  
9.9 agreement for the future conduct of financial relations between them.

9.10 (d) The mediator shall have the discretion to determine the format of the mediation  
9.11 meetings, including whether or not to keep the parties separate.

9.12 Subd. 5. **Mediator liability and immunity.** A mediator and the attorney general  
9.13 and their employees are immune from civil liability for actions within the scope of their  
9.14 positions under this chapter. A mediator and the attorney general and their employees do  
9.15 not have a duty to advise a creditor or debtor about the law or to encourage or assist a  
9.16 debtor or creditor regarding their legal rights. This subdivision is in addition to and not  
9.17 a limitation of immunity that otherwise exists under law.

9.18 Subd. 6. **Mediation period.** The mediator may call mediation meetings during the  
9.19 mediation period, which may be up to 60 days after the debtor sends a mediation request  
9.20 to the attorney general.

9.21 Subd. 7. **Mediation agreement.** (a) If an agreement is reached among the debtor  
9.22 and creditors, the mediator must witness and sign a written mediation agreement, have  
9.23 it signed by the debtor and creditors, and if applicable, submit the agreement to (1) the  
9.24 attorney general, and (2) any court that has jurisdiction over mortgage foreclosure or  
9.25 redemption proceedings regarding the property.

9.26 (b) The debtor and creditors who are parties to the approved mediation agreement and  
9.27 creditors who have filed claim forms and have not objected to the mediation agreement:

9.28 (1) are bound by the terms of the agreement; and

9.29 (2) may enforce the mediation agreement as a legal contract.

9.30 (c) A debtor may agree to allow a creditor to commence a mortgage foreclosure  
9.31 proceeding against property that is subject to mediation before the proceeding is otherwise  
9.32 allowed under subdivision 3, provided that the debtor or creditor may rescind the  
9.33 agreement within five business days after that debtor and creditor both sign the agreement.

9.34 Subd. 8. **Termination of mediation.** (a) The mediator must sign and serve on the  
9.35 parties and the attorney general an affidavit by the end of the mediation period.

10.1            (b) The mediator must prepare an affidavit acknowledging that mediation has ended  
10.2 and that:

10.3            (1) describes or references agreements reached between a creditor and the debtor, if  
10.4 any, and agreements reached among creditors, if any; or

10.5            (2) states that no agreement was reached between the parties, despite a good faith  
10.6 effort by the parties.

10.7            (c) Mediation agreements may be included as part of the affidavit.

10.8            (d) Within three business days after the end of mediation, the mediator must forward  
10.9 the affidavit under paragraph (b) for recording with the county recorder or registrar  
10.10 of titles of the county where the property is located. The filed affidavit is prima facie  
10.11 evidence of the facts stated in the affidavit.

10.12            Sec. 8. **[583.43] GOOD FAITH REQUIRED.**

10.13            Subdivision 1. **Obligation of good faith.** The parties must engage in mediation in  
10.14 good faith. Not participating in good faith includes:

10.15            (a) failure to attend and participate in mediation sessions without cause;

10.16            (b) failure to provide full information regarding the financial obligations of the  
10.17 parties and other creditors including the obligation of a creditor to provide information  
10.18 under section 583.42, subdivision 3, paragraph (c);

10.19            (c) failure of the creditor to designate a representative to participate in the mediation  
10.20 with authority to make binding commitments;

10.21            (d) lack of a written statement of debt restructuring alternatives and a statement of  
10.22 reasons why alternatives are unacceptable to one of the parties; and

10.23            (e) other similar behavior that evidences lack of good faith by a party. A failure to  
10.24 agree to reduce, restructure, refinance, or forgive debt is not, in itself, evidence of lack of  
10.25 good faith by the creditor. Nothing in sections 583.40 to 583.49 shall require a creditor to  
10.26 modify the debt that is the subject of the foreclosure proceeding.

10.27            Subd. 2. **Party's bad faith; mediator's affidavit.** If the mediator determines that  
10.28 either party is not participating in good faith as defined in subdivision 1, the mediator must  
10.29 file an affidavit indicating the reasons for the finding with the attorney general and with  
10.30 parties to the mediation.

10.31            Subd. 3. **Creditor's bad faith.** If the mediator finds that the creditor has not  
10.32 participated in the mediation in good faith, and the creditor continues with the foreclosure  
10.33 proceeding, then the debtor shall be allowed a six-month redemption period.

10.34            Subd. 4. **Debtor's lack of good faith.** If the mediator finds that the debtor has not  
10.35 participated in the mediation in good faith, and the creditor continues with the foreclosure



12.1 \_\_\_\_\_, being first duly sworn, deposes and says:

12.2 I wish to participate in a mediation process to resolve a dispute with the holder of a  
12.3 mortgage on property in which I have an ownership interest, located at:

12.4 \_\_\_\_\_

12.5 Street Address

12.6 \_\_\_\_\_

12.7 City, State, Zip Code

12.8 **CHECK THE APPLICABLE STATEMENT**

12.9 [ ] This property consists of one to four family dwelling units, one of which I  
12.10 occupied as my principal place of residency on the date that I received a Preforeclosure  
12.11 Notice relating to the dispute.

12.12 [ ] I did not receive a Preforeclosure Notice but this property consists of one to four  
12.13 family dwelling units, one of which I occupied as my principal place of residency on the  
12.14 date of this Mediation Request Affidavit.

12.15 \_\_\_\_\_

12.16 Subscribed and sworn to before me this

12.17 \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

12.18 \_\_\_\_\_

12.19 Notary Public, \_\_\_\_\_ County \_\_\_\_\_

12.20 My Commission expires: \_\_\_\_\_

12.21 **Sec. 12. [583.47] ENFORCEMENT.**

12.22 A mediation agreement may be enforced by a state district court.

12.23 **Sec. 13. [583.48] INCONSISTENT LAWS.**

12.24 Sections 583.40 to 583.47 have precedence over any inconsistent or conflicting laws,  
12.25 including chapters 580 and 581.

12.26 **Sec. 14. [583.49] EXPIRATION.**

12.27 Sections 583.40 to 583.48 expire July 1, 2012.

12.28 **Sec. 15. EFFECTIVE DATE.**

12.29 This article is effective July 1, 2009, and applies to foreclosures commenced on or  
12.30 after that date.

ARTICLE 2

FEES AND APPROPRIATIONS

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Section 1. Minnesota Statutes 2008, section 357.18, subdivision 1, is amended to read:

Subdivision 1. **County recorder fees.** (a) The fees to be charged by the county recorder shall be and not exceed the following:

(1) subject to paragraph (b), for indexing and recording any deed or other instrument a fee of \$46; \$10.50 shall be paid to the state treasury and credited to the general fund; \$10 shall be deposited in the technology fund pursuant to subdivision 3; and \$25.50 shall be deposited in the county general fund;

(2) for documents containing multiple assignments, partial releases or satisfactions a fee of \$46; if the document cites more than four recorded instruments, an additional fee of \$10 for each additional instrument cited over the first four citations;

(3) for certified copies of any records or papers, \$10;

(4) for a noncertified copy of any instrument or writing on file or recorded in the office of the county recorder, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;

(5) for an abstract of title, the fees shall be determined by resolution of the county board duly adopted upon the recommendation of the county recorder, and the fees shall not exceed \$10 for every entry, \$100 for abstract certificate, \$1 per page for each exhibit included within an abstract as a part of an abstract entry, and \$5 per name for each required name search certification;

(6) for a copy of an official plat filed pursuant to section 505.08, the fee shall be \$10 and an additional \$5 shall be charged for the certification of each plat;

(7) for filing an amended floor plan in accordance with chapter 515, an amended condominium plat in accordance with chapter 515A, or a common interest community plat or amendment complying with section 515B.2-110, subsection (c), the fee shall be 50 cents per apartment or unit with a minimum fee of \$56;

(8) for a copy of a floor plan filed pursuant to chapter 515, a copy of a condominium plat filed in accordance with chapter 515A, or a copy of a common interest community plat complying with section 515B.2-110, subsection (c), the fee shall be \$1 for each page of the floor plan, condominium plat or common interest community plat with a minimum fee of \$10;

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14.1 (9) for recording any plat, a fee of \$56, of which \$10.50 must be paid to the state  
14.2 treasury and credited to the general fund, \$10 must be deposited in the technology fund  
14.3 pursuant to subdivision 3, and \$35.50 must be deposited in the county general fund; and

14.4 (10) for a noncertified copy of any document submitted for recording, if the original  
14.5 document is accompanied by a copy or duplicate original, \$2. Upon receipt of the copy  
14.6 or duplicate original and payment of the fee, a county recorder shall return it marked  
14.7 "copy" or "duplicate," showing the recording date and, if available, the document number  
14.8 assigned to the original.

14.9 (b) During the period from the effective date of sections 583.40 to 583.49 through  
14.10 December 31, 2012, the fee under paragraph (a), clause (1), for recording a notice of  
14.11 pendency of a foreclosure by advertisement under section 580.032 or a notice of lis  
14.12 pendens for a foreclosure by action under section 557.02 is increased by \$125; this amount  
14.13 is to be paid to the state treasury and credited to the Homestead-Lender Mediation Act  
14.14 account in the special revenue fund.

14.15 Sec. 2. Minnesota Statutes 2008, section 508.82, subdivision 1, is amended to read:

14.16 Subdivision 1. **Standard documents.** (a) The fees to be charged by the registrar of  
14.17 titles shall be and not exceed the following:

14.18 (1) of the fees provided herein, \$1.50 of the fees collected under clauses (2), (3), (4),  
14.19 (11), (13), (15), (17), and (18) for filing or memorializing shall be paid to the state treasury  
14.20 pursuant to section 508.75 and credited to the general fund;

14.21 (2) for registering a first certificate of title, including issuing a copy of it, \$46.

14.22 Pursuant to clause (1), distribution of this fee is as follows:

14.23 (i) \$10.50 shall be paid to the state treasury and credited to the general fund;

14.24 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
14.25 subdivision 3; and

14.26 (iii) \$25.50 shall be deposited in the county general fund;

14.27 (3) for registering each instrument transferring the fee simple title for which a new  
14.28 certificate of title is issued and for the registration of the new certificate of title, including  
14.29 a copy of it, \$46. Pursuant to clause (1), distribution of this fee is as follows:

14.30 (i) \$12 shall be paid to the state treasury and credited to the general fund;

14.31 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
14.32 subdivision 3; and

14.33 (iii) \$24 shall be deposited in the county general fund;

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15.1 (4) subject to paragraph (b), for the entry of each memorial on a certificate, \$46.  
15.2 For multiple certificate entries, \$20 thereafter. Pursuant to clause (1), distribution of  
15.3 this fee is as follows:

15.4 (i) \$12 shall be paid to the state treasury and credited to the general fund;

15.5 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
15.6 subdivision 3;

15.7 (iii) \$24 shall be deposited in the county general fund; and

15.8 (iv) \$20 shall be deposited in the county general fund for each multiple entry used;

15.9 (5) for issuing each residue certificate and each additional new certificate, \$40;

15.10 (6) for exchange certificates, \$20 for each certificate canceled and \$20 for each  
15.11 new certificate issued;

15.12 (7) for each certificate showing condition of the register, \$50;

15.13 (8) for any certified copy of any instrument or writing on file or recorded in the  
15.14 registrar of titles' office, \$10;

15.15 (9) for a noncertified copy of any certificate of title, other than the copies issued  
15.16 under clauses (2) and (3), any instrument or writing on file or recorded in the office of  
15.17 the registrar of titles, or any specified page or part of it, an amount as determined by the  
15.18 county board for each page or fraction of a page specified. If computer or microfilm  
15.19 printers are used to reproduce the instrument or writing, a like amount per image;

15.20 (10) for a noncertified copy of any document submitted for recording, if the original  
15.21 document is accompanied by a copy or duplicate original, \$2. Upon receipt of the copy  
15.22 or duplicate original and payment of the fee, a registrar of titles shall return it marked  
15.23 "copy" or "duplicate," showing the recording date and, if available, the document number  
15.24 assigned to the original;

15.25 (11) for filing two copies of any plat, other than a CIC plat complying with section  
15.26 515B.2-110, paragraph (c), in the office of the registrar, \$56. Pursuant to clause (1),  
15.27 distribution of this fee is as follows:

15.28 (i) \$12 shall be paid to the state treasury and credited to the general fund;

15.29 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
15.30 subdivision 3; and

15.31 (iii) \$34 shall be deposited in the county general fund;

15.32 (12) for any other service under this chapter, such fee as the court shall determine;

15.33 (13) for filing any document affecting two or more units in a condominium governed  
15.34 by chapter 515, \$46 for the first certificate upon which the document is registered, and for  
15.35 multiple certificate entries, \$20 for each additional certificate upon which the document  
15.36 is registered. For purposes of this paragraph, an amendment to the declaration of a

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16.1 condominium governed by chapter 515 and a related amendment to the condominium  
16.2 floor plans shall be considered a single document, and the filing fee shall be \$56 for the  
16.3 first certificate upon which the document is registered, and for multiple certificate entries,  
16.4 \$20 for each additional certificate upon which the document is registered. Pursuant to  
16.5 clause (1), distribution of this fee is as follows:

- 16.6 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 16.7 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
16.8 subdivision 3;
- 16.9 (iii) \$24 shall be deposited in the county general fund for amendment to a declaration;
- 16.10 (iv) \$20 shall be deposited in the county general fund for each multiple entry  
16.11 used; and
- 16.12 (v) \$34 shall be deposited in the county general fund for an amended floor plan;  
16.13 (14) for issuance of a CECT pursuant to section 508.351, \$40;  
16.14 (15) for filing a common interest community declaration and a CIC plat complying  
16.15 with section 515B.2-110, paragraph (c); an amendment to a common interest community  
16.16 declaration and a related amendment to a CIC plat complying with section 515B.2-110,  
16.17 paragraph (c); or a supplemental declaration and a related supplemental CIC plat  
16.18 complying with section 515B.2-110, paragraph (c), each of which related documents  
16.19 shall be considered a single document, the filing fee shall be \$56 for the first certificate  
16.20 upon which the document is registered, and for multiple certificate entries, \$20 for each  
16.21 additional certificate upon which the document is registered. For filing any other document  
16.22 affecting two or more units in a common interest community, the filing fee shall be \$46  
16.23 for the first certificate upon which the document is registered, and for multiple certificate  
16.24 entries, \$20 for each additional certificate upon which the document is registered. The  
16.25 same fees shall apply to filing any document affecting two or more units or other parcels  
16.26 subject to a master declaration. Pursuant to clause (1), distribution of this fee is as follows:
- 16.27 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 16.28 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
16.29 subdivision 3;
- 16.30 (iii) \$24 shall be deposited in the county general fund for the filing of an amendment  
16.31 complying with section 515B.2-110, subsection (c);
- 16.32 (iv) \$20 shall be deposited in the county general fund for each multiple entry  
16.33 used; and
- 16.34 (v) \$34 shall be deposited in the county general fund for the filing of a condominium  
16.35 or CIC plat or amendment;



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17.1 (16) for a copy of a condominium floor plan filed in accordance with chapter 515,  
17.2 or a copy of a common interest community plat complying with section 515B.2-110,  
17.3 subsection (c), the fee shall be \$1 for each page of the floor plan or common interest  
17.4 community plat with a minimum fee of \$10;

17.5 (17) for the filing of a certified copy of a plat of the survey pursuant to section  
17.6 508.23 or 508.671, \$46. Pursuant to clause (1), distribution of this fee is as follows:

17.7 (i) \$12 shall be paid to the state treasury and credited to the general fund;

17.8 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
17.9 subdivision 3; and

17.10 (iii) \$24 shall be deposited in the county general fund;

17.11 (18) for filing a registered land survey in triplicate in accordance with section  
17.12 508.47, subdivision 4, \$56. Pursuant to clause (1), distribution of this fee is as follows:

17.13 (i) \$12 shall be paid to the state treasury and credited to the general fund;

17.14 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
17.15 subdivision 3; and

17.16 (iii) \$34 shall be deposited in the county general fund; and

17.17 (19) for furnishing a certified copy of a registered land survey in accordance with  
17.18 section 508.47, subdivision 4, \$15.

17.19 (b) During the period from the effective date of sections 583.40 to 583.49 through  
17.20 December 31, 2012, the fee under paragraph (a), clause (4), for entry of a memorial of a  
17.21 notice of pendency of a foreclosure by advertisement under section 580.032 or a notice of  
17.22 lis pendens for a foreclosure by action under section 557.02 is increased by \$125; this  
17.23 amount is to be paid to the state treasury and credited to the Homestead-Lender Mediation  
17.24 Act account in the special revenue fund.

17.25 Sec. 3. Minnesota Statutes 2008, section 508A.82, subdivision 1, is amended to read:

17.26 Subdivision 1. **Standard documents.** (a) The fees to be charged by the registrar of  
17.27 titles shall be and not exceed the following:

17.28 (1) of the fees provided herein, \$1.50 of the fees collected under clauses (2), (3),  
17.29 (5), (12), (14), (16), and (19) for filing or memorializing shall be paid to the state treasury  
17.30 pursuant to section 508.75 and credited to the general fund;

17.31 (2) for registering a first CPT, including issuing a copy of it, \$46. Pursuant to clause  
17.32 (1), distribution of the fee is as follows:

17.33 (i) \$10.50 shall be paid to the state treasury and credited to the general fund;

17.34 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
17.35 subdivision 3; and

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- 18.1 (iii) \$25.50 shall be deposited in the county general fund;
- 18.2 (3) for registering each instrument transferring the fee simple title for which a  
18.3 new CPT is issued and for the registration of the new CPT, including a copy of it, \$46.  
18.4 Pursuant to clause (1), distribution of the fee is as follows:
- 18.5 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 18.6 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
18.7 subdivision 3; and
- 18.8 (iii) \$24 shall be deposited in the county general fund;
- 18.9 (4) for issuance of a CECT pursuant to section 508A.351, \$40;
- 18.10 (5) subject to paragraph (b), for the entry of each memorial on a CPT, \$46; for  
18.11 multiple certificate entries, \$20 thereafter. Pursuant to clause (1), distribution of the fee  
18.12 is as follows:
- 18.13 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 18.14 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
18.15 subdivision 3;
- 18.16 (iii) \$24 shall be deposited in the county general fund; and
- 18.17 (iv) \$20 shall be deposited in the county general fund for each multiple entry used;
- 18.18 (6) for issuing each residue CPT, \$40;
- 18.19 (7) for exchange CPTs or combined certificates of title, \$20 for each CPT and  
18.20 certificate of title canceled and \$20 for each new CPT or combined certificate of title  
18.21 issued;
- 18.22 (8) for each CPT showing condition of the register, \$50;
- 18.23 (9) for any certified copy of any instrument or writing on file or recorded in the  
18.24 registrar of titles' office, \$10;
- 18.25 (10) for a noncertified copy of any CPT, other than the copies issued under clauses  
18.26 (2) and (3), any instrument or writing on file or recorded in the office of the registrar of  
18.27 titles, or any specified page or part of it, an amount as determined by the county board for  
18.28 each page or fraction of a page specified. If computer or microfilm printers are used to  
18.29 reproduce the instrument or writing, a like amount per image;
- 18.30 (11) for a noncertified copy of any document submitted for recording, if the original  
18.31 document is accompanied by a copy or duplicate original, \$2. Upon receipt of the copy  
18.32 or duplicate original and payment of the fee, a registrar of titles shall return it marked  
18.33 "copy" or "duplicate," showing the recording date and, if available, the document number  
18.34 assigned to the original;
- 18.35 (12) for filing two copies of any plat in the office of the registrar, \$56. Pursuant to  
18.36 clause (1), distribution of the fee is as follows:

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- 19.1 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 19.2 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,
- 19.3 subdivision 3; and
- 19.4 (iii) \$34 shall be deposited in the county general fund;
- 19.5 (13) for any other service under sections 508A.01 to 508A.85, the fee the court
- 19.6 shall determine;
- 19.7 (14) for filing an amendment to a declaration in accordance with chapter 515, \$46
- 19.8 for each certificate upon which the document is registered and for multiple certificate
- 19.9 entries, \$20 thereafter; \$56 for an amended floor plan filed in accordance with chapter
- 19.10 515. Pursuant to clause (1), distribution of the fee is as follows:
- 19.11 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 19.12 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,
- 19.13 subdivision 3;
- 19.14 (iii) \$24 shall be deposited in the county general fund for amendment to a declaration;
- 19.15 (iv) \$20 shall be deposited in the county general fund for each multiple entry
- 19.16 used; and
- 19.17 (v) \$34 shall be deposited in the county general fund for an amended floor plan;
- 19.18 (15) for issuance of a CECT pursuant to section 508.351, \$40;
- 19.19 (16) for filing an amendment to a common interest community declaration, including
- 19.20 a supplemental declaration, and plat or amendment complying with section 515B.2-110,
- 19.21 subsection (c), and issuing a CECT if required, \$46 for each certificate upon which the
- 19.22 document is registered and for multiple certificate entries, \$20 thereafter; \$56 for the filing
- 19.23 of the condominium or common interest community plat or amendment. See section
- 19.24 515B.1-116 for special requirement relating to a common interest community. Pursuant to
- 19.25 clause (1), distribution of the fee is as follows:
- 19.26 (i) \$12 shall be paid to the state treasury and credited to the general fund;
- 19.27 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,
- 19.28 subdivision 3;
- 19.29 (iii) \$24 shall be deposited in the county general fund for the filing of an amendment
- 19.30 complying with section 515B.2-110, subsection (c);
- 19.31 (iv) \$20 shall be deposited in the county general fund for each multiple entry
- 19.32 used; and
- 19.33 (v) \$34 shall be deposited in the county general fund for the filing of a condominium
- 19.34 or CIC plat or amendment;
- 19.35 (17) for a copy of a condominium floor plan filed in accordance with chapter 515,
- 19.36 or a copy of a common interest community plat complying with section 515B.2-110,

20.1 subsection (c), the fee shall be \$1 for each page of the floor plan, or common interest  
20.2 community plat with a minimum fee of \$10;

20.3 (18) in counties in which the compensation of the examiner of titles is paid in  
20.4 the same manner as the compensation of other county employees, for each parcel of  
20.5 land contained in the application for a CPT, as the number of parcels is determined by  
20.6 the examiner, a fee which is reasonable and which reflects the actual cost to the county,  
20.7 established by the board of county commissioners of the county in which the land is  
20.8 located;

20.9 (19) for filing a registered land survey in triplicate in accordance with section  
20.10 508A.47, subdivision 4, \$56. Pursuant to clause (1), distribution of the fee is as follows:

20.11 (i) \$12 shall be paid to the state treasury and credited to the general fund;

20.12 (ii) \$10 shall be deposited in the technology fund pursuant to section 357.18,  
20.13 subdivision 3; and

20.14 (iii) \$34 shall be deposited in the county general fund; and

20.15 (20) for furnishing a certified copy of a registered land survey in accordance with  
20.16 section 508A.47, subdivision 4, \$15.

20.17 (b) During the period from the effective date of sections 583.40 to 583.49 through  
20.18 December 31, 2012, the fee under paragraph (a), clause (5), for entry of a memorial of a  
20.19 notice of pendency of a foreclosure by advertisement under section 580.032 or a notice of  
20.20 lis pendens for a foreclosure by action under section 557.02 is increased by \$125; this  
20.21 amount is to be paid to the state treasury and credited to the Homestead-Lender Mediation  
20.22 Act account in the special revenue fund.

20.23 **Sec. 4. HOMESTEAD-LENDER MEDIATION ACT ACCOUNT.**

20.24 Subdivision 1. **Establishment.** The Homestead-Lender Mediation Act account is  
20.25 established in the state treasury.

20.26 Subd. 2. **Generally.** The Homestead-Lender Mediation Act account shall be  
20.27 administered by the Minnesota Housing Finance Authority for the purposes described in  
20.28 this section. Any interest or profit accruing from investment of money in the account shall  
20.29 be credited to the Homestead-Lender Mediation Act account.

20.30 Subd. 3. **Expenditures.** (a) Money in the Homestead-Lender Mediation Act  
20.31 account may only be used:

20.32 (1) to pay for the compensation of mediators appointed by the attorney general under  
20.33 the Homestead-Lender Mediation Act, Minnesota Statutes, section 583.42, subdivision 3;

20.34 (2) for reasonable reimbursement for staff and other administrative costs incurred by  
20.35 the attorney general associated with the Homestead-Lender Mediation Act; and

21.1           (3) for reimbursement of any funds deposited into the Homestead-Lender Mediation  
21.2 Act account in advance of sufficient revenue to the account.

21.3           (b) Money in the Homestead-Lender Mediation Act account is appropriated to the  
21.4 Minnesota Housing Finance Authority to make payments as provided in this subdivision.

21.5           Subd. 4. **Appropriation and reimbursement.** (a) Upon expiration of the  
21.6 Homestead-Lender Mediation Act, as specified in Minnesota Statutes, section 583.50, any  
21.7 unused funds left in the Homestead-Lender Mediation Act account shall be transferred  
21.8 to the general fund.

21.9           (b) Services provided under the Homestead-Lender Mediation Act are on a  
21.10 first-come, first-served basis to the extent of available funds in the Homestead-Lender  
21.11 Mediation Act account.

21.12           Sec. 5. **EFFECTIVE DATE.**

21.13           This article is effective July 1, 2009.

APPENDIX  
Article locations in H0354-4

ARTICLE 1 HOMESTEAD-LENDER MEDIATION ..... Page.Ln 1.9  
ARTICLE 2 FEES AND APPROPRIATIONS ..... Page.Ln 13.1