

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 296

S. P. 117

In Senate, January 21, 1971

Referred to Committee on Legal Affairs. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Quinn of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT Authorizing a Mortgagee to Bid and Purchase Real Estate Sold
under Power of Sale.**

Be it enacted by the People of the State of Maine, as follows:

R. S., T. 14, § 6203-A, amended. Section 6203-A of Title 14 of the Revised Statutes, as enacted by section 2 of chapter 424 of the public laws of 1967, is amended by adding at the end the following new paragraph:

At said public sale, the mortgagee may bid and may purchase any real estate sold at such sale, providing that the mortgagee is the highest bidder. If the real estate is sold for an amount in excess of the outstanding balance of the mortgage together with all interest and costs, said excess shall be used to satisfy any other encumbrances on said property and after all said encumbrances shall be satisfied together with all interest and costs, any excess then remaining shall be paid to the mortgagor. If the mortgagor or any person holding an encumbrance cannot be found after a diligent search, the money shall be paid into the Superior Court in the county where the land lies for the benefit of the mortgagor or the holder of any such encumbrance.

STATEMENT OF FACT

The purpose of this bill is to amend the power of sale statute on corporate mortgages. It provides that the mortgagee may bid at the public sale, and the present statute makes no provision for this. It also provides that where a bid is made in excess of the amount due on the mortgage, and if the mortgagor or person holding under him cannot be found by due diligence, that such excess funds may be paid into the Superior Court in the county where the land lies for the benefit of such mortgagor.