

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 1224

02/20/2025 Authored by Freiberg
The bill was read for the first time and referred to the Committee on Judiciary Finance and Civil Law
03/24/2025 Adoption of Report: Amended and re-referred to the Committee on Commerce Finance and Policy
04/07/2025 Adoption of Report: Placed on the General Register
Read for the Second Time
05/19/2025 Pursuant to Rule 4.20, returned to the Committee on Commerce Finance and Policy

- 1.1 A bill for an act
- 1.2 relating to mortgages; modifying provisions governing postponement of foreclosure
- 1.3 by sale; amending Minnesota Statutes 2024, sections 580.07, subdivisions 1, 2;
- 1.4 581.02.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2024, section 580.07, subdivision 1, is amended to read:
- 1.7 Subdivision 1. **Postponement by mortgagee.** (a) The sale may be postponed, from time
- 1.8 to time, by the party conducting the foreclosure. The party requesting the postponement
- 1.9 must, at the party's expense:
- 1.10 (1) publish, only once, a notice of the postponement and the rescheduled date of the sale,
- 1.11 if known, as soon as practicable, in the newspaper in which the notice under section 580.03
- 1.12 was published; and
- 1.13 (2) send by first class mail to the occupant, postmarked within three business days of
- 1.14 the postponed sale, notice:
- 1.15 (i) of the postponement; and
- 1.16 (ii) if known, of the rescheduled date of the sale and the date on or before which the
- 1.17 mortgagor must vacate the property if the sheriff's sale is not further postponed, the mortgage
- 1.18 is not reinstated under section 580.30, the property is not redeemed under section 580.23,
- 1.19 or the redemption period is not reduced under section 582.032. The notice must state that
- 1.20 the time to vacate the property is 11:59 p.m. on the specified date.

(b) If the rescheduled date of the sale is not known at the time of the initial publication and notice to the occupant of postponement, the foreclosing party must, at its expense if and when a new date of sale is scheduled:

(1) publish, only once, notice of the rescheduled date of the sale, as soon as practicable, in the newspaper in which the notice under section 580.03 and the notice of postponement under paragraph (a) was published; and

(2) send by first class mail to the occupant, postmarked within ten days of the rescheduled sale, notice:

(i) of the date of the rescheduled sale; and

(ii) of the date on or before which the mortgagor must vacate the property if the mortgage is not reinstated under section 580.30 or the property redeemed under section 580.23. The notice must state that the time to vacate the property is 11:59 p.m. on the specified date.

(c) The right of a mortgagee to postpone a foreclosure sale under this section applies to a foreclosure by action taken under chapter 581.

EFFECTIVE DATE. This section is effective August 1, 2025, for judicial foreclosures with the lis pendens recorded on or after the effective date.

Sec. 2. Minnesota Statutes 2024, section 580.07, subdivision 2, is amended to read:

Subd. 2. **Postponement by mortgagor or owner.** (a) If all or a part of the property to be sold is classified as homestead under section 273.124 and contains one to four dwelling units, the mortgagor or owner may, in the manner provided in this subdivision, postpone the sale to the first date that is not a Saturday, Sunday, or legal holiday and is:

(1) five months after the originally scheduled date of sale if the original redemption period was six months under section 580.23, subdivision 1; or

(2) 11 months after the originally scheduled date of sale if the original redemption period was 12 months under section 580.23, subdivision 2. To postpone a foreclosure sale pursuant to this subdivision, at any time after the first publication of the notice of mortgage foreclosure sale under section 580.03 but at least 15 days prior to the scheduled sale date specified in that notice, the mortgagor shall: (1) execute a sworn affidavit in the form set forth in subdivision 3, (2) record the affidavit in the office of each county recorder and registrar of titles where the mortgage was recorded, and (3) file with the sheriff conducting the sale and deliver to the attorney foreclosing the mortgage a copy of the recorded affidavit, showing the date and office in which the affidavit was recorded. Recording of the affidavit and

postponement of the foreclosure sale pursuant to this subdivision shall automatically reduce the mortgagor's redemption period under section 580.23 to five weeks. The postponement of a foreclosure sale pursuant to this subdivision does not require any change in the contents of the notice of sale, service of the notice of sale if the occupant was served with the notice of sale prior to postponement under this subdivision, or publication of the notice of sale if publication was commenced prior to postponement under this subdivision, notwithstanding the service and publication time periods specified in section 580.03, but the sheriff's certificate of sale shall indicate the actual date of the foreclosure sale and the actual length of the mortgagor's redemption period. No notice of postponement need be published. An affidavit complying with subdivision 3 shall be prima facie evidence of the facts stated therein, and shall be entitled to be recorded. The right to postpone a foreclosure sale pursuant to this subdivision may be exercised only once, regardless whether the mortgagor reinstates the mortgage prior to the postponed mortgage foreclosure sale.

(b) If the automatic stay under United States Code, title 11, section 362, applies to the mortgage foreclosure after a mortgagor or owner requests postponement of the sheriff's sale under this section, then when the automatic stay is no longer applicable, the mortgagor's or owner's election to shorten the redemption period to five weeks under this section remains applicable to the mortgage foreclosure.

(c) Except for the circumstances set forth in paragraph (b), this section does not reduce the mortgagor's redemption period under section 580.23 for any subsequent foreclosure of the mortgage.

(d) The right of a mortgagor or owner to postpone a foreclosure sale under this section applies to a foreclosure by action taken under chapter 581.

EFFECTIVE DATE. This section is effective August 1, 2025, for judicial foreclosures with the lis pendens recorded on or after the effective date.

Sec. 3. Minnesota Statutes 2024, section 581.02, is amended to read:

581.02 APPLICATION, CERTAIN SECTIONS.

(a) The provisions of sections 580.08, 580.09, 580.12, 580.22, 580.25, and 580.27, so far as they relate to the form of the certificate of sale, shall apply to and govern the foreclosure of mortgages by action.

(b) Section 580.07 applies to actions for the foreclosure of mortgages taken under this chapter.

4.1 **EFFECTIVE DATE.** This section is effective August 1, 2025, for judicial foreclosures
4.2 with the lis pendens recorded on or after the effective date.