

HOUSE No. 606

By Mr. Crawford of Pittsfield, petition of Edward A. Counihan, 3rd, and Wallace B. Crawford that banks and other lending institutions be authorized to offer relief to mortgagors whose taxes have been increased as a result of a general reassessment of real estate through a revision of mortgage terms calling for periodic payment of real estate taxes. Banks and Banking.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Sixty-Two.

AN ACT AUTHORIZING BANKS AND OTHER LENDING INSTITUTIONS TO OFFER RELIEF TO CERTAIN MORTGAGORS WHOSE TAXES HAVE BEEN INCREASED AS A RESULT OF A GENERAL REASSESSMENT OF THE REAL ESTATE IN THE TOWN WHERE THE PROPERTY IS LOCATED.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Where the terms of a note and mortgage require a propor-
2 tionate part of the real estate taxes to be included in a periodic
3 payment of principal, interest and taxes, the terms may be re-
4 vised, notwithstanding any provision of law to the contrary,
5 when said tax payment is increased at least twenty-five per cent
6 as a result of a general reassessment of the real estate in the towns
7 wherein the mortgaged premises are located, in order to provide
8 for an extension of the term sufficient to amortize said mortgage
9 in such additional period so that said periodic payments continue
10 to be approximately equal to the payments being made at the
11 time of such increase, through a reduction in the principal pay-
12 ments in an amount approximately equal to such tax increase
13 and the application of such amount to the tax account.

