



## NEW JERSEY STATE BAR ASSOCIATION

June 27, 2022

**Via Electronic Mail**

The Honorable Nia H. Gill  
39 South Fullerton Ave  
2<sup>nd</sup> Floor, Suite 7  
Montclair, NJ 07042

The Honorable Britnee N. Timberlake  
520 Main Street  
Suite 1  
East Orange, NJ 07018

Re: S1427 (Gill)/A793 (Timberlake) – Creates “Community Wealth Preservation Program”; expands access for certain buyers to purchase property from sheriff’s sales

Dear Senator Gill and Assemblywoman Timberlake:

On behalf of the New Jersey State Bar Association, I am sharing our concerns on S1427 (Gill)/A793(Timberlake), which creates the “Community Wealth Preservation Program.” We appreciate the aim of this bill to create equity in the purchase process to preserve communities. As written, the bill could produce an unintended consequence by increasing the cost of consumer debt.

The proposed 50 percent cap on the upset price for residential foreclosures would only serve to increase the Sheriff’s commissions, rather than achieve the stated goal to expand access for certain buyers to purchase property from Sheriff’s sales. The proposed legislation only limits announcing the upset price to 50 percent of the judgment. But if the lender’s real upset price is the full amount or any amount greater than 50 percent of the judgment, there may be futile bidding between the 50 percent upset price and the actual upset price. The proposed legislation does not prevent the lender from actually bidding above the upset price and therefore it does nothing to actually permit buyers from actually purchasing the property – instead it just creates bidding opportunities that, in reality, do not exist because the lender will ultimately prevail.

For these reasons, we urge you to reconsider this legislation and welcome an opportunity to work with you in order to achieve your stated goals. We appreciate your consideration of our position. If you have any questions or would like to further discuss this issue, I can be reached at

[lchapland@njsba.com](mailto:lchapland@njsba.com), 732-214-8510 (o) or 732-239-3356 (c). Thank you for your continued leadership.

Very truly yours,

/s/ LISA CHAPLAND

Lisa Chapland

Senior Managing Director, Government Affairs

cc: Jeralyn L. Lawrence, Esq., NJSBA President (via electronic mail)  
Timothy F. McGoughran, Esq., NJSBA President-Elect (via electronic mail)  
Angela Scheck, NJSBA Executive Director (via electronic mail)