

HOUSE BILL NO. 739  
INTRODUCED BY J. RICE

IN THE HOUSE

FEBRUARY 9, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON BUSINESS & ECONOMIC DEVELOPMENT.

FEBRUARY 11, 1991                   FIRST READING.

FEBRUARY 20, 1991                   COMMITTEE RECOMMEND BILL  
DO PASS. REPORT ADOPTED.

FEBRUARY 21, 1991                   PRINTING REPORT.

FEBRUARY 25, 1991                   SECOND READING, DO PASS AS AMENDED.  
  
ENGROSSING REPORT.

FEBRUARY 26, 1991                   THIRD READING, PASSED.  
AYES, 94; NOES, 5.

TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 26, 1991                   INTRODUCED AND REFERRED TO COMMITTEE  
ON BUSINESS & INDUSTRY.

FIRST READING.

MARCH 26, 1991                   COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

MARCH 28, 1991                   SECOND READING, CONCURRED IN.

APRIL 1, 1991                   THIRD READING, CONCURRED IN.  
AYES, 49; NOES, 0.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991                   RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS  
CONCURRED IN.

APRIL 10, 1991                   THIRD READING, AMENDMENTS

CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 HOUSE BILL NO. 739  
 2 INTRODUCED BY J. Lee  
 3  
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW  
 5 RELATING TO REDEMPTION OF REAL PROPERTY AFTER A MORTGAGE  
 6 FORECLOSURE SALE; CHANGING THE RATE OF INTEREST THAT ACCRUES  
 7 ON REDEMPTION; PROVIDING FOR RECOVERY OF REASONABLE REPAIR  
 8 AND MAINTENANCE EXPENSES PAID BY A PURCHASER AT A SHERIFF'S  
 9 SALE; AND AMENDING SECTIONS 25-13-802, 25-13-803, 25-13-804,  
 10 25-13-805, AND 25-13-822, MCA."

11  
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 **Section 1.** Section 25-13-802, MCA, is amended to read:

14 "25-13-802. Time for redemption -- amount to be paid.  
 15 The judgment debtor or redemptioner may redeem the property  
 16 from the purchaser any time within 1 year after the sale on  
 17 paying the purchaser:

18 (1) the amount of his purchase with ~~1/2-of-1%-per-month~~  
 19 ~~thereon--in--addition~~ interest at a rate established by the  
 20 judgment in the action that led to the execution sale, up to  
 21 the time of redemption;

22 (2) the amount of any assessment or taxes which the  
 23 purchaser may have paid thereon after purchase and interest  
 24 on such amount; and

25 (3) the amount of any repairs, maintenance expenses, or

1 other expenditures that the purchaser may reasonably have  
 2 made after purchase for the maintenance or full use of the  
 3 property, with interest on the amounts from the date of  
 4 expenditure; and

5 ~~(3)~~(4) if the purchaser ~~be~~ is also a creditor having a  
 6 prior lien to that of the redemptioner other than the  
 7 judgment under which such purchase was made, the amount of  
 8 such lien with interest."

9 **Section 2.** Section 25-13-803, MCA, is amended to read:

10 "25-13-803. Subsequent redemptions -- when permitted,  
 11 amount paid. (1) If property be so redeemed by a  
 12 redemptioner, another redemptioner may, within 60 days after  
 13 the last redemption, again redeem it from the last  
 14 redemptioner on paying the sum on such last redemption with  
 15 interest thereon at the rate ~~of--1/2--of--1%--per--month--in~~  
 16 addition established by the judgment in the action that led  
 17 to the execution sale, the amount of any assessment or taxes  
 18 which the last redemptioner may have paid thereon after the  
 19 redemption by him with like interest on such amount, and the  
 20 amount of any liens held by the said last redemptioner prior  
 21 to his own, with interest; but the judgment under which the  
 22 property was so sold need not be so paid as a lien. The  
 23 property may be again, and as often as any redemptioner is  
 24 so disposed, redeemed from any previous redemptioner, within  
 25 60 days after the last redemption, on paying the sum paid on

1 the last previous redemption with interest thereon at the  
 2 rate ~~of 1/2 of 1% per month~~ established by the judgment in  
 3 the action that led to the execution sale, the amount of any  
 4 assessment or taxes which the last previous redemptioner  
 5 paid after the redemption by him with like interest thereon,  
 6 and the amount of any liens, other than the judgment under  
 7 which the property was sold, held by the last redemptioner  
 8 previous to his own, with like interest.

9 (2) If the judgment debtor or the judgment debtor's  
 10 spouse redeem, the judgment debtor or the spouse must make  
 11 the same payments as are required to effect a redemption by  
 12 a redemptioner."

13 **Section 3.** Section 25-13-804, MCA, is amended to read:

14 **"25-13-804. Redemption by stockholder or corporation.**

15 (1) If a stockholder of a corporation redeems, the  
 16 corporation, within 1 year after the date of sale, may  
 17 redeem by paying to the redemptioner or the sheriff for his  
 18 benefit the amount paid to effect the redemption, with  
 19 interest thereon at the rate ~~of 1/2 of 1% per month~~  
 20 established by the judgment in the action that led to the  
 21 execution sale from the date of redemption until the date of  
 22 such payment, together with any taxes or assessments that  
 23 may have been paid by the redemptioner, with like interest  
 24 thereon.

25 (2) When a stockholder redeems, any other stockholder

1 or stockholders may, at any time after such redemption and  
 2 within 60 days after the expiration of 1 year from the date  
 3 of sale, contribute to the redemption by paying to the  
 4 redeeming stockholder or depositing with the sheriff for his  
 5 benefit a sum which bears the same proportion to the amount  
 6 necessary to redeem which the number of shares owned by such  
 7 contributing stockholder or stockholders bears to the number  
 8 of shares of such corporation outstanding, with interest on  
 9 such sum from the date of redemption until the date of  
 10 contribution at the rate ~~of 1/2 of 1% per month~~ established  
 11 by the judgment in the action that led to the execution  
 12 sale, together with a like proportion of the taxes or  
 13 assessments paid by such redeeming stockholder, with like  
 14 interest thereon; and if the corporation does not redeem the  
 15 property within the time and in the manner and form as  
 16 aforesaid, the said redeeming and contributing stockholders  
 17 shall be entitled to receive a sheriff's deed for such  
 18 property so redeemed and shall succeed to the said property  
 19 as tenants in common in such proportions, respectively, as  
 20 they shall respectively pay or contribute to such redemption  
 21 as aforesaid. The redeeming or contributing stockholder  
 22 shall, in all cases when applying to redeem or contribute as  
 23 aforesaid, present an affidavit setting forth the number of  
 24 shares of stock owned by him and, to the best of his  
 25 knowledge, the number of shares of stock of the corporation

1 outstanding."

2 **Section 4.** Section 25-13-805, MCA, is amended to read:

3 "25-13-805. **Redemption by debtor from spouse.** If the  
4 spouse of a judgment debtor redeem, the judgment debtor,  
5 within 1 year after the date of sale, may redeem by paying  
6 the spouse or the spouse's successors in interest or the  
7 sheriff for the benefit of the spouse or the successors in  
8 interest of the spouse the amount paid to effect the  
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10 per-month established by the judgment in the action that led  
11 to the execution sale from the date of redemption until the  
12 date of such payment, together with any taxes or assessments  
13 that may have been paid by the spouse or the successors in  
14 interest of the spouse, with like interest thereon."

15 **Section 5.** Section 25-13-822, MCA, is amended to read:

16 "25-13-822. **Rents and profits during redemption period,**  
17 **accounting.** (1) The purchaser, from the time of the sale  
18 until a redemption, and a redemptioner, from the time of his  
19 redemption until another redemption, are entitled to receive  
20 from the tenant in possession the rents of the property sold  
21 or the value of the use and occupation thereof. But when any  
22 rents or profits have been received by the judgment creditor  
23 or purchaser or his or their assigns from the property thus  
24 sold preceding such redemption, the amount of such rents and  
25 profits shall be a credit upon the redemption money to be

1 paid. The credit for rents and profits must be net of all  
2 payments made under 25-13-802(2) and (3).

3 (2) If the redemptioner or judgment debtor, before the  
4 expiration of the time allowed for such redemption, demands  
5 in writing of such purchaser or creditor or his assigns a  
6 written and verified statement of the amount of such rents  
7 and profits thus received, the period for redemption is  
8 extended 5 days after such sworn statement is given by such  
9 purchaser or his assigns to such redemptioner or debtor. If  
10 such purchaser or his assigns shall, for a period of 1 month  
11 from and after such demand, fail or refuse to give such  
12 statement, such redemptioner or debtor may bring an action  
13 in any court of competent jurisdiction to compel an  
14 accounting and disclosure of such rents and profits, and  
15 until 15 days from and after the final determination of such  
16 action, the right of redemption is extended to such  
17 redemptioner or debtor."

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APPROVED BY COMM. ON BUSINESS AND ECONOMIC DEVELOPMENT

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 10 spouse redeem, the judgment debtor or the spouse must make  
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14 **"25-13-804. Redemption by stockholder or corporation.**

15 (1) If a stockholder of a corporation redeems, the  
 16 corporation, within 1 year after the date of sale, may  
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 18 benefit the amount paid to effect the redemption, with  
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1 or stockholders may, at any time after such redemption and  
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-End-



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13 **Section 3.** Section 25-13-804, MCA, is amended to read:

14 **"25-13-804. Redemption by stockholder or corporation.**

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 16 corporation, within 1 year after the date of sale, may  
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 8 of shares of such corporation outstanding, with interest on  
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2 **Section 4.** Section 25-13-805, MCA, is amended to read:

3 "25-13-805. **Redemption by debtor from spouse.** If the  
4 spouse of a judgment debtor redeem, the judgment debtor,  
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7 sheriff for the benefit of the spouse or the successors in  
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15 **Section 5.** Section 25-13-822, MCA, is amended to read:

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-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 1  
March 26, 1991

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 739 (third reading copy -- blue), respectfully report that House Bill No. 739 be amended and as so amended be concurred in:

1. Title, lines 5 and 6.

Strike: "AFTER" on line 5 through "SALE" on line 6

2. Page 6, lines 1 and 2.

Strike: "The" on line 1 through "(3)" on line 2

Insert: "Any payments made under 25-13-802(2) and (3) must be subtracted from the credit for rents and profits"

Signed: \_\_\_\_\_

  
John "J.D." Lynch, Chairman

3-26-91  
Amd. Coord.

\_\_\_\_\_  
Sec. of Senate

SENATE  
HB 739

1 HOUSE BILL NO. 739  
2 INTRODUCED BY J. RICE

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13 the last redemption, again redeem it from the last  
14 redemptioner on paying the sum on such last redemption with  
15 interest thereon at the rate of ~~1/2--of--1%--per--month--in~~  
16 addition established by the judgment in the action that led  
17 to the execution sale, the amount of any assessment or taxes  
18 which the last redemptioner may have paid thereon after the  
19 redemption by him with like interest on such amount, and the  
20 amount of any liens held by the said last redemptioner prior  
21 to his own, with interest; but the judgment under which the  
22 property was so sold need not be so paid as a lien. The  
23 property may be again, and as often as any redemptioner is  
24 so disposed, redeemed from any previous redemptioner, within  
25 60 days after the last redemption, on paying the sum paid on

1 the last previous redemption with interest thereon at the  
 2 rate ~~of--1/2-of-1%--per-month~~ established by the judgment in  
 3 the action that led to the execution sale, the amount of any  
 4 assessment or taxes which the last previous redemptioner  
 5 paid after the redemption by him with like interest thereon,  
 6 and the amount of any liens, other than the judgment under  
 7 which the property was sold, held by the last redemptioner  
 8 previous to his own, with like interest.

9 (2) If the judgment debtor or the judgment debtor's  
 10 spouse redeem, the judgment debtor or the spouse must make  
 11 the same payments as are required to effect a redemption by  
 12 a redemptioner."

13 **Section 3.** Section 25-13-804, MCA, is amended to read:

14 **"25-13-804. Redemption by stockholder or corporation.**

15 (1) If a stockholder of a corporation redeems, the  
 16 corporation, within 1 year after the date of sale, may  
 17 redeem by paying to the redemptioner or the sheriff for his  
 18 benefit the amount paid to effect the redemption, with  
 19 interest thereon at the rate ~~of--1/2--of--1%--per-month~~  
 20 established by the judgment in the action that led to the  
 21 execution sale from the date of redemption until the date of  
 22 such payment, together with any taxes or assessments that  
 23 may have been paid by the redemptioner, with like interest  
 24 thereon.

25 (2) When a stockholder redeems, any other stockholder

1 or stockholders may, at any time after such redemption and  
 2 within 60 days after the expiration of 1 year from the date  
 3 of sale, contribute to the redemption by paying to the  
 4 redeeming stockholder or depositing with the sheriff for his  
 5 benefit a sum which bears the same proportion to the amount  
 6 necessary to redeem which the number of shares owned by such  
 7 contributing stockholder or stockholders bears to the number  
 8 of shares of such corporation outstanding, with interest on  
 9 such sum from the date of redemption until the date of  
 10 contribution at the rate ~~of-1/2-of-1%--per-month~~ established  
 11 by the judgment in the action that led to the execution  
 12 sale, together with a like proportion of the taxes or  
 13 assessments paid by such redeeming stockholder, with like  
 14 interest thereon; and if the corporation does not redeem the  
 15 property within the time and in the manner and form as  
 16 aforesaid, the said redeeming and contributing stockholders  
 17 shall be entitled to receive a sheriff's deed for such  
 18 property so redeemed and shall succeed to the said property  
 19 as tenants in common in such proportions, respectively, as  
 20 they shall respectively pay or contribute to such redemption  
 21 as aforesaid. The redeeming or contributing stockholder  
 22 shall, in all cases when applying to redeem or contribute as  
 23 aforesaid, present an affidavit setting forth the number of  
 24 shares of stock owned by him and, to the best of his  
 25 knowledge, the number of shares of stock of the corporation

1 outstanding."

2 **Section 4.** Section 25-13-805, MCA, is amended to read:

3 "25-13-805. Redemption by debtor from spouse. If the  
4 spouse of a judgment debtor redeem, the judgment debtor,  
5 within 1 year after the date of sale, may redeem by paying  
6 the spouse or the spouse's successors in interest or the  
7 sheriff for the benefit of the spouse or the successors in  
8 interest of the spouse the amount paid to effect the  
9 redemption, with interest thereon at the rate ~~of 1/2 of 1%~~  
10 per-month established by the judgment in the action that led  
11 to the execution sale from the date of redemption until the  
12 date of such payment, together with any taxes or assessments  
13 that may have been paid by the spouse or the successors in  
14 interest of the spouse, with like interest thereon."

15 **Section 5.** Section 25-13-822, MCA, is amended to read:

16 "25-13-822. Rents and profits during redemption period,  
17 accounting. (1) The purchaser, from the time of the sale  
18 until a redemption, and a redemptioner, from the time of his  
19 redemption until another redemption, are entitled to receive  
20 from the tenant in possession the rents of the property sold  
21 or the value of the use and occupation thereof. But when any  
22 rents or profits have been received by the judgment creditor  
23 or purchaser or his or their assigns from the property thus  
24 sold preceding such redemption, the amount of such rents and  
25 profits shall be a credit upon the redemption money to be

1 paid. ~~The credit for rents and profits must be net of all~~  
2 ~~payments made under 25-13-802(2) and (3)~~ ANY PAYMENTS MADE  
3 ~~UNDER 25-13-802(2) AND (3) MUST BE SUBTRACTED FROM THE~~  
4 ~~CREDIT FOR RENTS AND PROFITS.~~

5 (2) If the redemptioner or judgment debtor, before the  
6 expiration of the time allowed for such redemption, demands  
7 in writing of such purchaser or creditor or his assigns a  
8 written and verified statement of the amount of such rents  
9 and profits thus received, the period for redemption is  
10 extended 5 days after such sworn statement is given by such  
11 purchaser or his assigns to such redemptioner or debtor. If  
12 such purchaser or his assigns shall, for a period of 1 month  
13 from and after such demand, fail or refuse to give such  
14 statement, such redemptioner or debtor may bring an action  
15 in any court of competent jurisdiction to compel an  
16 accounting and disclosure of such rents and profits, and  
17 until 15 days from and after the final determination of such  
18 action, the right of redemption is extended to such  
19 redemptioner or debtor."

-End-