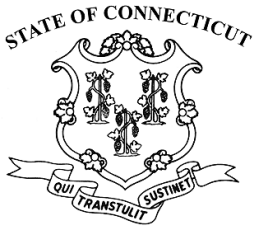

Senate Bill No. 1336

Public Act No. 25-46

AN ACT CONCERNING MORTGAGE FORECLOSURES AND UNDISCHARGED MORTGAGES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective January 1, 2026*) (a) Notwithstanding any provision of the general statutes, and except as otherwise provided in subsections (b) and (c) of this section, an action to foreclose a mortgage on residential real property, as defined in section 49-31k of the general statutes, shall not be commenced following the earlier of:

(1) Ten years from the date fixed for the making of the last payment or the maturity date set forth in the mortgage or the note, bond or other obligation secured by the mortgage, whether the date is itself set forth or may be calculated from information contained in the mortgage or note, bond or other obligation, except if the date fixed for the making of the last payment or the maturity date has been extended by a written instrument, the action to foreclose shall not be commenced after ten years from the extended date under the terms of the written instrument; or

(2) Ten years from the date on which any payment on account by, or on behalf of, the debtor last occurred.

(b) If any law, order or rule prohibits the commencement of a

foreclosure action at any time during the final two years of the applicable time limit established in subsection (a) of this section, such time limit shall be extended by a period of time equal to the duration of the prohibition.

(c) The provisions of subsections (a) and (b) of this section shall not apply to:

(1) Any mortgage that (A) was recorded before January 1, 2026, and was first in priority at the time when such first mortgage was recorded, including, but not limited to, any such first mortgage that was recorded subsequent to a mortgage that has been satisfied but not yet released; or (B) regardless of when such mortgage was recorded, was subordinate to a first mortgage at the time when such subordinate mortgage was recorded and is held by the original mortgagee, such original mortgagee's subsidiary or affiliate or any successor of such original mortgagee by merger or other acquisition of such original mortgagee; or

(2) Any action commenced under section 49-30 of the general statutes.

Sec. 2. Section 49-13a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2026*):

(a) **[**When**]** Notwithstanding the provisions of section 1 of this act, when record title to real property remains encumbered by any undischarged mortgage, and the mortgagor or those owning the mortgagor's interest therein have been in undisturbed possession of the property for at least **[**twenty**]** ten years after the expiration of the time limited in the mortgage for the full performance of the conditions thereof, or for at least forty years from the recording of the mortgage if the mortgage does not disclose the time when the note or indebtedness is payable or the time for full performance of the conditions of the mortgage, unless a notice is recorded pursuant to subsection (b) of this

section, the mortgage shall be invalid as a further lien against the real property, provided an affidavit, subscribed and sworn to by the party in possession, stating the fact of such possession, is recorded on the land records of the town in which the property is situated.

(b) The record holder of an undischarged mortgage on real property may, prior to the expiration of the applicable time period specified in subsection (a) of this section, record a notice, on the land records of the town in which the property is situated, that contains: (1) The name or names of the mortgagors; (2) the recording information for the mortgage and any assignment of the mortgage; and (3) a statement of the reasons why the mortgage is valid and effective. Upon the recording of such notice in accordance with this subsection, the applicable time period after which the mortgage shall be invalid as a further lien against the real property as provided in subsection (a) of this section shall be tolled for a period of ten years from the recording of such notice. Any such notice shall be indexed in the grantor's index under the name or names of the mortgagors and in the grantee's index under the name of the record holder of the mortgage.

Governor's Action:
Approved June 10, 2025