



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2015 Wisconsin Act 376**  
[2015 Assembly Bill 720]

**Various Changes to the  
Foreclosure Process**

2015 Wisconsin Act 376 makes several changes to the foreclosure process. First, the Act reduces the redemption period applicable to noncommercial property from 12 months to six months when a plaintiff seeks a deficiency judgment and from six months to three months when a plaintiff elects to waive judgment for any deficiency that remains due after sale of the mortgaged premises. However, if the mortgagor of a noncommercial property attempts in good faith to sell the mortgaged premises and has entered a listing agreement with a real estate broker, the Act specifies that the redemption periods are extended to eight months when a plaintiff seeks a deficiency judgment and five months when a deficiency judgment is waived.

Next, the Act revises the foreclosure procedure for abandoned property. In *Bank of New York Mellon v. Carson*, 2015 WI 15, the Wisconsin Supreme Court interpreted s. 846.102, Stats., to permit any party, and a city, town, village, or county, to move that a property be deemed abandoned and required that sale of an abandoned premises must be made as soon as reasonable upon expiration of five weeks from when the date of judgment is entered. Under the Act, only the plaintiff or a city, town, village, or county may move that a property be deemed abandoned. Additionally, the Act requires the plaintiff to take one of the following actions with regard to abandoned property between five weeks and 12 months after judgment is entered:

- Hold a sale of the mortgaged premises and have the sale confirmed.
- Release or satisfy the mortgage lien and vacate the judgment of foreclosure.

If neither of those actions occur, any party may petition the court to order the sale of the premises.

Finally, the Act clarifies that, in actions for which deficiency is waived, notice of foreclosure sale of noncommercial property may be given during a redemption period.

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

*Effective date and initial applicability:* April 27, 2016. Generally, the modifications to redemption periods under the Act first apply to mortgages executed on or after April 27, 2016. The treatments under the Act relating to foreclosure of abandoned properties first apply to actions commenced on April 27, 2016.

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