

FEB 16 1996

COMMERCE - REGULATION

HOUSE FILE 2240
BY WISE

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to mortgage property which has been levied upon
2 and the effect of the filing of a demand for delay of sale.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

HF 2240

1 Section 1. Section 628.4, Code 1995, is amended to read as
2 follows:

3 628.4 REDEMPTION PROHIBITED.

4 A party who has stayed execution on the judgment is not
5 entitled to redeem or to demand a delay of sale pursuant to
6 section 654.21.

7 Sec. 2. Section 680.1, Code 1995, is amended to read as
8 follows:

9 680.1 APPOINTMENT.

10 On the petition of either party to a civil action or
11 proceeding, ~~wherein~~ where the petition of the party shows that
12 the party has a probable right to, or interest in, any
13 property which is the subject of the controversy, and that
14 such property, or its rents or profits, are in danger of being
15 lost or materially injured or impaired, or shows that a demand
16 for a delay of sale pursuant to section 654.21 has been filed,
17 and on such notice to the adverse party as the court shall
18 prescribe, the court, if satisfied that the interests of one
19 or both parties will be thereby promoted by the appointment of
20 a receiver, and the substantial rights of neither unduly
21 infringed, or that a demand for delay of sale pursuant to
22 section 654.21 has been filed, may appoint a receiver to take
23 charge of and control such property under its direction during
24 the pendency of the action, and may order and coerce the
25 delivery of ~~it~~ the property to the receiver.

26 Sec. 3. APPLICABILITY. This Act applies to a demand for
27 delay of sale which is filed on or after July 1, 1996.

28 EXPLANATION

29 This bill amends section 628.4 to provide that a party who
30 stays execution on a judgment related to mortgaged property is
31 not entitled to demand a delay of sale pursuant to section
32 654.21. Currently, such a party is only prohibited from
33 redeeming the property.

34 Section 680.1 is amended to provided that a party who shows
35 a probable right to, or interest in, any mortgaged property

1 which is the subject of controversy in a civil action or
2 proceeding, and who shows that a demand for a delay of sale
3 has been filed, may petition the court to appoint a receiver
4 to take charge of and control the mortgaged property.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35