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ISLAND
JUSTICE



To: **The Honorable Anne Carney, Maine Senate Chair of Committee
on Judiciary**

**The Honorable Amy Kuhn, Maine House Chair of Committee
on Judiciary**

From: **John Zachary Steed
Island Justice Law**

Date: **April 11, 2025**

RE: **LD 1444 – An Act to Prevent Foreclosures Without Strict Com-
pliance**

I am writing in support of the Act. I am a lawyer practicing in Maine. My firm focuses on consumer protection – representing consumers against businesses who take advantage of Mainers. Before I started this specialized practice, I was in general practice. As part of that general practice, I brought a few foreclosures on behalf of private mortgage holders, such as family members who loaned money to other family members.

When first confronted with having to file a foreclosure, I was a little daunted. I had never filed a foreclosure before, and I understood that the standards were strict. The 6111 notice, sent at least 35 days before filing a foreclosure, has to precisely itemize what needs to be paid to cure the default and any other amounts that are past due. I was a new lawyer presented with an unfamiliar task, so I approached it as one would any new legal task: I read the rules, I looked for an online class, I looked at what other people are doing, and I double checked my work. I knew that, as with so many things in the legal profession, a small mistake could have serious consequences.

So, with each of the few foreclosures I handled, I would spend several hours making sure my notice of default was correct and followed the letter of the law before sending it out. I knew that under Section 6111 if the letter was not correct and did not follow the law exactly, then it could mean my client's case would be dismissed. Then, I would double-check before filing the lawsuit. I was aware, throughout the process, that if I made a mistake, I would be facing the embarrassment and cost of having to call my malpractice insurance to tell them that I had made an expensive error.

More recently, as part of representing an estate, I had to file a foreclosure in a case where we did not know exactly how much had been paid toward what was owed. The loan was between family members, and good records were not available. How then could I make sure I sent a correct notice that stated exactly what was owed? The solution I came up with (and this is hardly a novel method) was to file a declaratory judgment action. A declaratory judgment action is a limited lawsuit that lets people ask the court what their rights and obligations are under a contract or under an uncertain legal situation. In the case of a mortgage debt where the exact amounts owed cannot be determined, it is a way to get a court order saying exactly what is owed, before committing to those numbers in a default notice under Section 6111, where the stakes are high.

I would also add that, if banks and mortgage servicers have one basic job, it is to keep track of our money. If a bank or a mortgage servicer cannot easily produce the numbers needed for a 6111 notice, then that bank or mortgage servicer has failed at its most fundamental task. Similarly, if the lawyer for a bank or mortgage servicer files a foreclosure with a faulty 6111 notice, there has been a failure on that lawyer's part and their client could very well have a malpractice claim. It is no monumental task to double-check or even triple-check the figures in a notice.

This is all to say that I do not believe that brining a foreclosure under Maine law unfairly difficult: if an average attorney like myself—aware of his limitations—can successfully navigate Maine's strict foreclosure laws and develop reasonable solutions for cases with incomplete records, then it's entirely reasonable to expect that specialists who handle foreclosures daily and attorneys at our state's most prestigious firms would meet this same standard.

Respectfully submitted,

/s/ John Z. Steed

John Zachary Steed
Island Justice Law