

§6195. Cancellation

1. Cancellation. In addition to any other right of rescission, a foreclosed homeowner has the right to cancel a contract with a foreclosure purchaser until midnight of the 5th business day following the day on which the foreclosed homeowner signs a contract that complies with this chapter or until 8:00 a.m. on the last day of the period during which the foreclosed homeowner has a right of redemption, whichever occurs first. Cancellation occurs when the foreclosed homeowner delivers, by any means, written notice of cancellation to the address provided in subsection 3. If cancellation is mailed, delivery is effective upon mailing. If sent via e-mail, delivery is effective upon transmission. A notice of cancellation given by the foreclosed homeowner need not take the particular form as specified in the contract. Within 10 days following receipt of a notice of cancellation given in accordance with this section, the foreclosure purchaser shall return without condition any original contract and any other documents signed by the foreclosed homeowner.

[PL 2007, c. 596, §1 (NEW).]

2. Notice of cancellation in contract. A contract must contain in the space reserved for the foreclosed homeowner's signature a conspicuous statement in at least 14-point boldface type, if the contract is printed, or in capital letters, if the contract is typed, as follows:

"NOTICE REQUIRED BY MAINE LAW

"You may cancel this contract for the sale of your house without any penalty or obligation at any time before (Date and time of day)

See the attached notice of cancellation form for an explanation of this right."

The foreclosure purchaser shall accurately enter the date and time of day on which the cancellation right ends.

[PL 2007, c. 596, §1 (NEW).]

3. Separate notice of cancellation. The foreclosure purchaser shall provide the foreclosed homeowner with a copy of the contract and the attached notice of cancellation at the time the contract is executed by all parties. The contract must be accompanied by a completed form in duplicate, captioned "notice of cancellation" in 14-point boldface type, if the contract is printed, or in capital letters, if the contract is typed, followed by a space in which the foreclosure purchaser shall enter the date on which the foreclosed homeowner executes the contract. This form must be attached to the contract, must be easily detachable and must contain in at least 12-point type, if the contract is printed, or in capital letters, if the contract is typed, the following statement written in the same language as used in the contract:

"NOTICE OF CANCELLATION..... (Enter date contract signed)

You may cancel this contract for the sale of your house, without any penalty or obligation, at any time before..... (Enter date)

To cancel this transaction, you may use any of the following methods: (1) mail or otherwise deliver a signed and dated copy of this cancellation notice; or (2) send via e-mail a notice of cancellation to..... (Name of purchaser) at (Physical address of purchaser's place of business)..... (E-mail address of foreclosure consultant's place of business) NOT LATER THAN (Enter date).

I hereby cancel this transaction (Date)

..... (Seller's signature)"

At a minimum, the contract and the notice of cancellation must contain a physical address to which notice of cancellation may be mailed or otherwise delivered. A post office box does not constitute a physical address. A post office box may be designated for delivery by mail only if it is accompanied by a physical address at which the notice could be delivered by a method other than mail. An e-mail address may be provided in addition to the physical address.

[PL 2007, c. 596, §1 (NEW).]

4. Determination of cancellation period. The 5 business days during which the foreclosed homeowner may cancel the contract pursuant to subsection 1 does not begin to run until all parties to the contract have executed the contract and the foreclosure purchaser has complied with this section.

[PL 2007, c. 596, §1 (NEW).]

SECTION HISTORY

PL 2007, c. 596, §1 (NEW).

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